

BUSINESS WEEK

JAN. 12, 1946



YEAR
AGO



WEEK
AGO



A job for Richard R. Deupree, Procter & Gamble president: To save wartime savers from nonpayment.

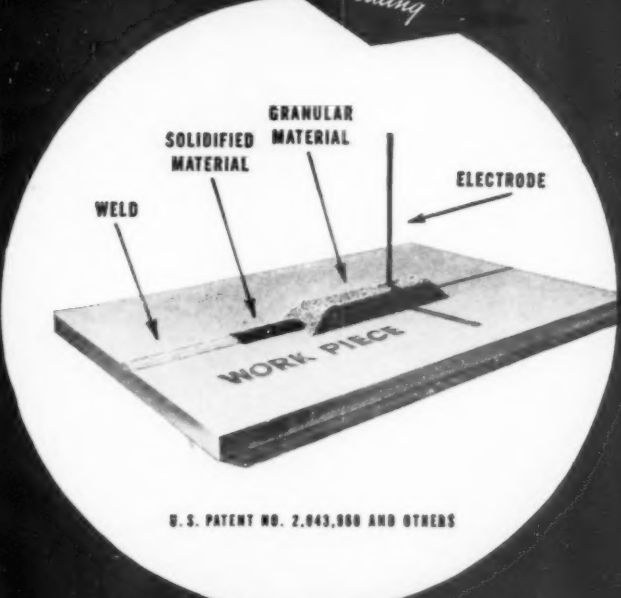
UNIVERSITY OF MICHIGAN
GENERAL LIBRARY
1-5
JAN 12 1946

TWENTY CENTS • PUBLISHED BY THE MCGRAW

These are the advantages of Automatic UNIONMELT Electric Welding

A PROCESS OF WELDING ELECTRICALLY BENEATH A MINERAL MELT

*This is
UNIONMELT
Welding*



U. S. PATENT NO. 2,843,988 AND OTHERS

*Licenses may be obtained from
THE LINDE AIR PRODUCTS COMPANY*

**UP TO
20 TIMES
FASTER**

MAXIMUM SPEED

**MINIMUM
WELDING VEE**

**STRONG
DUCTILE
DENSE
SMOOTH
UNIFORM
CLEAN**

HIGH WELD QUALITY

AUTOMATIC CONTROL

MINIMUM DISTORTION

NO ROOT CHIPPING

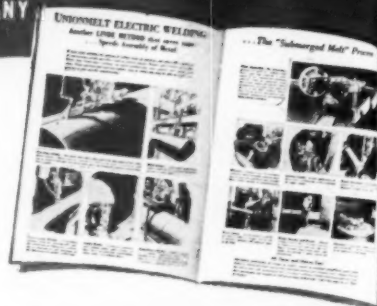
NO FINISH GRINDING

A.C. OR D.C.

Hundreds of manufacturers are now benefiting by the advantages of UNIONMELT Welding. It gives them top quality welds at speeds that are greater than with any other similarly applicable process.

If your work includes the joining of carbon steel, of stainless, and other alloy steels, or of non-ferrous metals and alloys such as nickel, copper, Monel, and Everdur, it is quite likely that UNIONMELT Welding can speed production, raise quality, and lower your costs.

Anyone who wishes to use this patented invention may do so under our standard license agreement. License fees are low and are based upon extent of use. Complete engineering assistance is available to licensees.



For additional information send for the folder "Report No. 6 on the Use of Linde Methods in Mass Production"—or ask a Linde representative to help you determine where you can use the UNIONMELT process advantageously.

THE LINDE AIR PRODUCTS COMPANY

Unit of Union Carbide and Carbon Corporation

30 E. 42nd St., New York 17, N. Y. **UNION** Offices in Other Principal Cities

In Canada: Dominion Oxygen Company, Limited, Toronto

The word "Unionmelt" is a registered trade-mark of The Linde Air Products Company.

BANKERS TRUST COMPANY

NEW YORK



CONDENSED STATEMENT OF CONDITION, DECEMBER 31, 1945

ASSETS

Cash and Due from Banks	\$ 378,425,210.74
U. S. Government Securities	894,686,409.15
Loans and Bills Discounted	568,440,375.09
State and Municipal Securities	14,435,886.11
Other Securities and Investments	44,467,867.21
Real Estate Mortgages	59,258.50
Banking Premises	15,230,350.64
Accrued Interest and Accounts Receivable. . .	5,163,632.66
Customers' Liability on Acceptances	1,036,622.97
	<u>\$1,921,945,613.07</u>

LIABILITIES

Capital	\$30,000,000.00	
Surplus	80,000,000.00	
Undivided Profits	<u>33,317,049.61</u>	\$ 143,317,049.61
General Reserve		15,403,262.71
Dividend Payable January 2, 1946		1,050,000.00
Deposits		1,749,590,468.60
Reserve for Taxes, Accrued Expenses, etc. . .		8,321,798.28
Acceptances Outstanding . . . \$ 2,332,749.71		
Less Amount in Portfolio . . . <u>1,154,134.78</u>		1,178,614.93
Other Liabilities		3,084,418.94
		<u>\$1,921,945,613.07</u>

Securities in the above statement are carried in accordance with the method described in the annual report to stockholders, dated January 11, 1945. Assets carried at \$424,516,297.89 have been deposited to secure deposits, including \$399,015,290.68 of United States Government deposits, and for other purposes.

Member of the Federal Deposit Insurance Corporation



Will it last through the home stretch in THE RACE FOR MARKETS?

Perhaps some of your products have already reached the market in limited quantities. But like every other manufacturer in the land, you've had to produce it with worn power equipment.

Your most critical period is ahead . . . when you must consolidate your position in a highly competitive market by *expanding* your production. An accident to over-worked boilers, turbines, engines or electrical equipment at this time will do more than damage your plant. It may cost you a market.

That is why foresighted manufacturers are making increasing use of the protective features of Hartford Steam Boiler insurance. The Company's inspection service reveals and reports unsafe conditions of power equipment—enables

policyholders to put their present units in shape for the long pull ahead. For in many fields, new equipment will still not be available for months.

Hartford Steam Boiler engineers, the country's largest staff devoted solely to power-equipment protection, draw upon the Company's 80 years of experience in this one specialized line. These field men are located so they can be reached quickly in an emergency.

These are a few of the reasons why Hartford Steam Boiler is first choice by far among those who purchase Engineering Insurance. Your agent or broker can give you more detailed information on how the Company can serve you.



The Hartford Steam Boiler Inspection and Insurance Company

HARTFORD, CONNECTICUT

Covers: Boilers • Pressure Vessels • Steam, Gas and Diesel Engines • Turbines • Electrical Equipment

BUSINESS WEEK

Business Abroad
Finance
General News
The International Outlook
Labor
The Labor Angle
Marketing
The Markets
New Products
The Outlook
Production
Textile
The Trading Post
The Trend
Washington Bulletin
The Pictures—Press Assn.—15, 16, 22, 24, 44, 99, 100; Acme—16, 20, 66, 92, 104, 113; Underwood & Underwood—76, 108; Ewing—108; Sovfoto—114.

EDITOR
Ralph Smith

MANAGING EDITOR
Louis Engel

ASSISTANT MANAGING EDITORS
John M. Johnston, Clark R. Pace

NEWS EDITORS
Wayne Jordan, Henry R. Lamar, Harold Polt, Raymond A. Dodd (Illustration)

STAFF EDITORS
Foreign, John F. Chapman • Business Policy, L. Cobbs • Production, W. W. Dodge • J. A. Gerardi • Finance, W. McKee Gillin • Labor, Merlyn S. Pitzele • Industry, James Sutherland • Marketing, Phyllis White • Irvington, Irvin D. Foos

EDITORIAL ASSISTANTS
Cora Carter, Brownlee Haydon (Assistant Editor), John Hoffman, Richard M. Machol, Richards (Assistant Marketing Editor), A. Richter, Margaret Timmerman, E. T. Towne (Assistant Labor Editor), Doris I. White • S. L. Tician, Abraham Stein • Librarian, Patricia B.

ECONOMIC STAFF
Stacy May, Dexter M. Keezer, Sanford S. P. William F. Butler

EDITORIAL BUREAUS
Chicago, Arthur Van Vlissingen, Joseph C. G. Mary B. Stephenson • Cleveland, Robert Cochran • Detroit, Stanley H. Brams • San Francisco, Richard Lamb • Washington, McGraw Bureau (Irvin D. Foos, Thomas A. Falco, St. Hamilton) • London, Stanley A. Tucker, H. P. Whidden, Jr. • Staff Correspondents throughout the United States and abroad.

PUBLISHER
Paul Montgomery

ADVERTISING MANAGER
Nelson Bond

BUSINESS WEEK • JANUARY 12 • NUMBER 1 (with which are combined The Annalist and the Magazine of Business) • Published weekly by McGraw Publishing Company, Inc., James H. McGraw, Founder and Honorary Chairman • Publication Office 90 North Broadway, Albany 1, N.Y. Editorial and Executive Offices, 330 W. 42nd St., New York 18 • John H. McGraw, Jr., President; Curtis W. McGraw, Senior Vice-President and Treasurer; Howard Ehrlich, Vice-President and General Business Manager; W. Chevalier, Vice-President and Editorial Assistant; the President; Joseph A. Gerardi, Secretary • Address all correspondence regarding subscriptions to J. E. Blackburn, Jr., Director of Circulation, Business Week, 330 West 42nd St., New York 18. Allow 10 days for change of address. Subscription rates: United States, Mexico and Central and South America \$5.00 a year. Canada \$6.00 for year • Entered as second class matter December 1936 at the Post Office at Albany, N.Y., under Act of March 3, 1879. Return postage guaranteed. Printed in U.S.A. Copyright 1946 by McGraw Publishing Company, Inc. — All Rights Reserved.

WASHINGTON BULLETIN

OPA, COTTON, CONGRESS

Cotton is once more in Washington's hair. The chances are it will soon be combed out again, but the South rose with a rebel yell when Price Administrator Chester Bowles announced his intention of imposing a ceiling on raw cotton, and the fracas probably will douse the Administration's hope for early action by Congress on extension of the price control act beyond next June 30. The prospect was never sorry anyhow, in spite of President Truman's request in his fireside chat.

Extension of the law in some form to the end of this year is fairly certain, but the Administration wants Congress to move promptly in order to head off a sellers' strike this spring in anticipation of possible release from some or all controls July 1.

Although Bowles is expected during the coming week to qualify his intention to apply ceilings to the 1946 cotton crop, members of Congress from the eleven principal cotton-growing states aren't disposed to take chances, and are prepared to delay the extension bill until OPA flatly renounces the idea. And even should Bowles later announce that he would not slap ceilings on raw cotton, it's likely that the powerful congressional cotton bloc will insist on writing in safeguards against subsequent action along this line. This move would find ready allies in other pressure groups which are eager to see the law die next June, or stripped to the hide.

They Aren't in a Hurry

Many members of Congress are none too keen about speeding extension of the price control act at this time. They say that the nation should be allowed to move further into the reconversion period before a decision is reached on future price control policy. While production has not climbed at the rate expected after V-J Day, some congressmen seem to be sincerely confident that it will show a sudden spurt this spring and permit lifting of many existing price ceilings.

Congress also is disposed to hold the extension bill back as a club over Bowles. Experience has proved that OPA has shown a more generous attitude toward congressional demands for price concessions in the weeks preceding action on its life legislation than during the rest of the year.

The hunch in some quarters is that Bowles made his announcement merely as a means of talking down rising cot-

ton prices, but regardless of his motive, the damage has been done on Capitol Hill. Evidently the usually adroit Price Administrator didn't realize that he was dropping an A-bomb.

Anderson in a Spot

Meanwhile, Secretary of Agriculture Clinton P. Anderson, who must approve the ceilings, is on a spot. Anderson has beseeched OPA to qualify its original announcement that the ceilings may be applied with an announcement that they will be abandoned if price conditions in July warrant. This was rejected by OPA, but may be done when Bowles makes his formal declaration.

Under the law, Bowles must issue his official declaration of intent at least 15 days before the planting season begins, even though the ceilings would not actually be imposed until the crop begins maturing next August. Since Feb. 1 is considered the start of the planting season, the OPA chief will be forced to take formal action Jan. 15. Anderson, who has discreetly refrained from any public comment up to now, will be required to state his position at that time.

Anderson sought to preclude any necessity for cotton ceilings by offering 1,500,000 bales of government-owned cotton on the open market shortly before Bowles' announcement. Some trade authorities believe that this will be sufficient to ease the price pressure and keep cotton prices approximately at parity levels. Under the law, Bowles is prohibited from fixing ceilings of cotton or other agricultural products below parity.

SCHISMATIC REPUBLICANS

Doubt is assailing many Republicans and party leaders are beginning to worry about a split which, if it continues to grow, could seriously complicate selection of the 1948 G.O.P. presidential nominee. The fate of John Bricker and Harold Stassen may hang in the balance.

The break, while not nearly so wide as that between Northern and Southern Democrats, is over essentially the same issue. There's a small group of Republicans in the Senate and House who feel that the party is far too reactionary and must move considerably to the left if it is ever to win another major political victory.

A straw in the wind was the attack of Sen. Wayne Morse, freshman senator from Oregon, upon Sen. Robert Taft,

veteran G.O.P. leader from Ohio, for Taft's speech assailing the Truman program. There are other senators on the Republican side who regard Taft as too conservative, though few of them will go as far as Morse. Such sentiment, however, will undoubtedly hurt Taft's own plan for a comeback in the presidential ring.

The issue was also laid down in the House recently by redheaded Rep. Charles La Follette, Indiana progressive. He went even farther than Morse and called upon the G.O.P. to become the "radical" party of the nation.

The reaction of rank-and-file Republicans to liberalizing the party will be tested this spring when Rep. La Follette seeks the G.O.P. senatorial nomination in his state. He will oppose Sen. Raymond Willis, whose legislative record is even more conservative than Taft's.

ISOLATIONIST FODDER

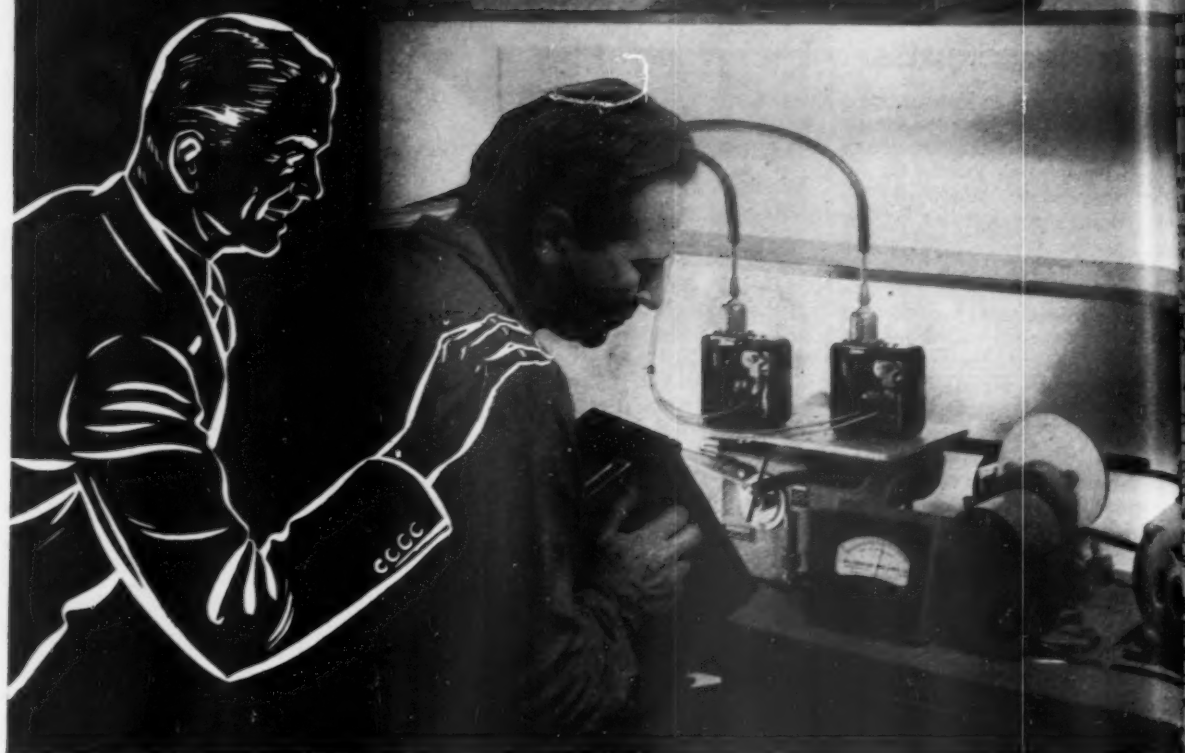
Hottest—and potentially exceedingly grave—issue in Congress is demobilization. The G. I. protest meetings in the Pacific are combustible stuff. The acute problem of maintaining a large enough army to help police the defeated enemy countries has fallen on Washington several months before the Administration thought it would reach crisis proportions.

The government is now face to face with the fact that it does not have, and does not yet see where it will soon get, sufficient armed forces with which to carry out its minimum foreign policy responsibilities and commitments.

Congressional isolationists are delighted. Unable to block an internationalist foreign policy, they see a ready-made opportunity to hamper the Administration in implementing that foreign policy by promoting such a precipitate dismantling of the Army that the nation is without the forces to carry it out.

SIGNIFICANT BUDGET

Government budgeting should assume some significance again. During the defense period and war years, the annual fiscal estimates bore little resemblance to the actual outlays. The first peacetime budget that President Truman will submit to Congress Jan. 21 should prove to be a more realistic projection of government spending. No



You visited our plant today

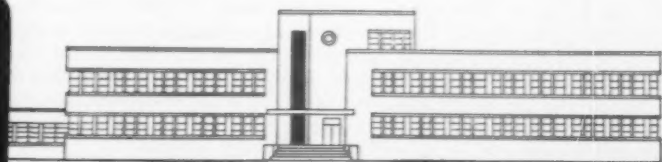
Yes, you, who entrust the reputation of your product to the operation of PENN Controls! You, the man who installs and is responsible for the performance and efficiency of the equipment! *You visited our plant today!*

You are always in our plant. At PENN, your needs . . . your desires . . . the things you want done are *most important*. PENN test engineers are paid to be critical . . . to find fault . . . to assure the very best automatic controls. For example, here, one of these engineers analyzes contact mechanism action of two refrigeration controls on a vibrator machine by means of a

stroboscope. He is guarding you against the vicious chatter . . . the destructive vibration that burns contacts, cuts down control life and damages relays and contactors.

PENN customers can rest assured that every PENN Control is designed, built and *thoroughly tested* to assure satisfactory operation under all normal service conditions. This is not only true in refrigeration, but in air conditioning, heating, on engines and pumps . . . wherever PENN Controls serve. For further information, write *Penn Electric Switch Co., Gosben, Indiana.*

PENN



AUTOMATIC CONTROLS

FOR HEATING, REFRIGERATION, AIR CONDITIONING, ENGINES, PUMPS AND AIR COMPRESSORS

WA
 ing infor
 ary we exp
 ncing 1
 will, or c
 a with bor
 The bu
 appache
 with more
 illy se
 not last
 or the six
 11 would
 100 Act
 February
 100
 follow
 'son's
 opera
 be
 position
 position
 will prese
 the resira
 stant
 Pottin
 be in inc
 Beau n
 tion's ful
 ries in t
 ew to
 SOCIET
 Possib
 forum fo
 -appare
 Society
 bought
 Presiden
 his Jan.
 state of
 At an
 of the C
 erts tha
 to look
 have T
 peal of
 Act, the
 Security
 of price
 of mate
 The
 of Detr
 and cha
 Allman
 ing ma
 bers in
 managi
 ager of
 Develop
 Wayne
 Assn.
 Genera
 G. W.
 person
 MAINE

unforeseen demands on the Treasury are expected in the fiscal year commencing next July 1, and the budget will, of course, call for a further cutback in war-born activities.

The budget makers, a little puffed up, approached an always formidable job with more confidence because they have already scored one bullseye. They forecast last August that war expenditures for the six months that ended last Dec. 31 would round off to \$32,800,000,000. Actual outlays, according to the Treasury Dept., came to \$32,845,000,000.

Following last year's precedent, a "nation's budget"—showing the financial cooperation of the national economy—will be included. There won't be any mention of the country's economic condition, but the President's message will present a much fuller discussion of the desirability of the method of taking stock.

Putting the "nation's budget" would be an indispensable part of the Budget Bureau machinery, if the Administration's full-employment program—as carried in the original Murray bill—were ever to become law.

SOCIETY OF SENTINELS

Possibly Capitol Hill will provide a forum for a new organization christened—apparently after some argument—the Society of Sentinels which this week bought newspaper space to present to President Truman a suggested draft of his Jan. 17 message to Congress on the state of the union.

At any rate, R. J. Thomas, president of the C.I.O.-United Auto Workers, asserts that the U.A.W. will ask Congress to look into "this outfit" which would have Truman ask Congress for the repeal of the National Labor Relations Act, the Wages & Hours Act, the Social Security Act, and all laws for the control of prices, production, and the allocation of materials.

The S.O.S. was organized by a group of Detroit businessmen. Leading spirit and chairman of the board is Leslie C. Allman, Fruehauf Trailer Co.'s advertising manager. Officers and board members include Edward C. Fielder, the managing director, who was state manager of the Committee for Economic Development until last November; Wayne Stettbacher of the Employers Ann. of Detroit; Stephen DuBrul, General Motors economist; and Robert C. Waldron, the Hudson Motor Co. personnel manager.

HELP FOR STRUCK PLANTS

The Civilian Production Administration has revamped its basic inventory-control order (Direction 6 to Priorities Regulation 32) to give strike-shut plants a running start once they resume production. Formerly, plants tied up by work stoppages were supposed to postpone or cancel material orders within 30 days.

Now, continued receipt of most materials is permitted beyond the 30-day period wherever necessary to bring inventories up to the minimum needed for the first 45 days after resumption of production.

TEXTILE WAGE O.K.'D

The National Wage Stabilization Board will soon announce its O.K. on the 65¢-an-hour minimum wage put into effect last November by 19 Massachusetts cotton mills employing 19,000 persons. As soon as the action is made public, the companies will ask OPA for higher prices, as provided for in the Truman wage-price policy (BW—Nov. 3'45, p15).

This is the highest minimum wage rate ever known in the textile industry, comparing with the 57¢ rate allowed for northern mills by the National War Labor Board back in February, 1944, and tallies with the proposed national wage minimum that is now being pushed by the Administration on Capitol Hill.

ALCOA PATENT DEAL

Despite obstructionist charges leveled against Aluminum Co. of America by Surplus Property Administrator W. Stuart Symington, Alcoa and the government actually have just about completed the deal to permit Reynolds Metals Co. to use Alcoa patents in the plants Reynolds is leasing from the Reconstruction Finance Corp. (BW—Dec. 22'45, p31).

BUTTER PROSPECT

There's small prospect for an increase in butter supply before the tides of milk production rise seasonally this spring.

Secretary of Agriculture Clinton B. Anderson figures that, meanwhile, a boost of 18¢ a lb. in the present 54¢-a-lb. butter price ceiling would be needed

to divert cream from the manufacture of ice cream and other relatively more profitable dairy products. OPA Administrator Bowles took blunt issue with this suggestion.

Pressing on a different front, the National Cooperative Milk Producers Federation wants Anderson to guarantee the 1946 income of dairy farmers. Including government subsidies, the dairy producers cashed a record \$3,600,000,000 in 1945, about double their prewar volume.

AIR TRAVEL MAY EASE

Forecast in Army circles is that Apr. 1 will see the end of the Office of Defense Transportation order under which 70% of the space on commercial airplanes eastbound from the West Coast is reserved for returning military personnel.

This will mean reversion by the airlines to full civilian operation two months earlier than was expected at the start of the requisition program Dec. 5.

The Army Transportation Corps expects that by mid-March the military movement will be handled almost entirely by rail.

The airlines are moving about 37,000 military personnel a month under the "trans-con" project.

SCRUTINY FOR SWPC

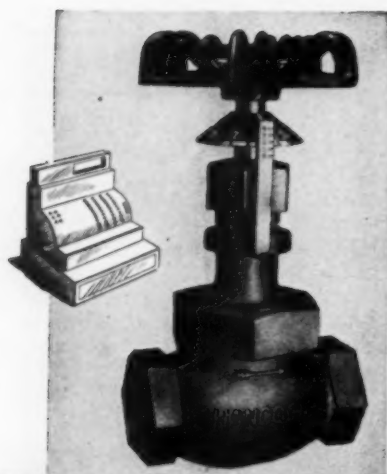
Look for an investigation of Smaller War Plants Corp. by the House Small Business Committee now that SWPC is to be broken up and parceled between the Reconstruction Finance Corp. and the Dept. of Commerce (BW—Jan. 5'46, p5).

Committee members say it's overdue, but they didn't think staff members would talk with any freedom while their spitfire boss, Maury Maverick, was still around.

MORE HOUSE-TRAILERS

Working on the theory that the housing emergency warrants emergency action, Housing Expediter Wilson W. Wyatt is now working on an ambitious program of expanding house-trailer production. Speed and low-cost per unit—between \$1,500 and \$1,700 including furniture—are the big attractions. Also, trailers won't compete with permanent housing.

Materials such as lumber and steel



Absolute accuracy!

With a Hancock Flo-control Valve, the exact amount of flow through a line may be established and the valve re-set at any time to the precise point of accuracy within a hundredth of a turn of the wheel.

Old-fashioned, crude ways of marking a valve setting—a dab of paint, a piece of string—were never accurate. With Hancock Flo-control Valves these methods become obsolete.

The life of this control feature and its accuracy are as enduring as the valve itself. Good design, the best materials for the purpose and fine workmanship assure long, untroubled service.

Wherever flow control is essential in any manufacturing, industrial or public service utility, always specify "Hancock" Flo-control Valves.

Stocked and sold by leading Distributors everywhere. Write to them or to us for full information.



HANCOCK
Valves

MANNING, MAXWELL & MOORE, INC.
BRIDGEPORT 2, CONNECTICUT

will be allocated to trailer manufacturers, but the use of substitutes, such as plastics and aluminum, will be pushed.

Wyatt will also give prefabricated housing a whirl in a whirlwind effort to get homes fast.

—Business Week's
Washington Bureau

THE COVER

Alarm over threats to the nation's billions of wartime savings led to the launching in New York this week of a nationwide drive against swindlers and sharpshooters. The campaign was inaugurated at a Conference for Safeguarding Wartime Savings, held at the Waldorf-Astoria on Wednesday. Richard R. Deupree, president of Procter & Gamble, headed the conference, which has been working for weeks with business and financial groups on preliminary plans. Following the conference, the activities shift to the country's 86 Better Business Bureaus.

Cincinnatians said, "Why not?" when they learned that Richard Redwood Deupree was heading this fight. His is usually the first name that comes up when a moving force is needed for a community drive in his home town.

Deupree is a favorite for such posts because he doesn't merely lend his name for letterheads. He gets in and pitches. The pressure of time contributed to public crusades is so great that his office hours are apt to be erratic.

P. & G.'s official description of Deupree is "keen, alert, dynamic." He doesn't look the part though the proof is in the record. His general bearing is one of Lincoln-esque melancholy, his solemnity masking a combination of tolerance and humor.

An outstanding characteristic is Deupree's love for directness and simplicity. He hates to read a letter of more than one page. In so ancient and honorable a company, executive routine is apt to wear channels. Deupree doesn't recognize these. If he wants an answer to something, he pops out of his office and goes directly to the person involved. Lesser P. & G. officials were woefully stricken when the New Yorker magazine ran Gluyas Williams cartoon, "The day the cake of Ivory sank." To Deupree it was a good laugh. At 61, he is not a wealthy man, but P. & G. pays him \$188,600 a year. His stock interest in the company is small, which means that he depends squarely on his ability as an executive to maintain his position.

Deupree joined P. & G. as a clerk in 1905, became general sales manager in 1917, was made president when William Cooper Procter moved from that post to the chairmanship in 1930.

DIFFICULTIES OF DOING BUSINESS
AT A DISTANCE

FINDING BLANK PAGES IN
YOUR 1945 MARKET DATA?



**Let Marine Midland supply
the information you need
on New York State**

Do you still need 1945 facts and figures to help your business in New York State? Before you climb on a train that's already crowded to the platforms, we suggest that you check with Marine Midland.

Our banks are located in 40 communities throughout the State. Officers of the Marine Midland Banks know local people and local conditions; they live with local problems every day.

From firsthand knowledge they can supply just the data you need to avoid a tiresome and maybe unnecessary trip right now.



The
**MARINE MIDLAND
TRUST COMPANY**
of New York

120 BROADWAY

Member Federal Deposit Insurance Corporation

THE OUTLOOK

IN BUSINESS WEEK
JANUARY 12, 1946



Washington finally admits that wages are tied to prices. And this week's Administration move offers the first real hope of averting a labor-capital crisis which might conceivably mean depression.

Specifically, the proposed price increase in steel indicates that the stabilizers aren't going to hold out to the bitter end. A price rise obviously was the only step which could bring about a resumption of collective bargaining in steel, and President Truman acknowledges it.

Now this doesn't mean, necessarily, that there will be no steel strike. It doesn't mean that a strike, if called, will be quickly settled.

Nor does it even mean that steel will be the model for all settlements; that once one industry signs all the others will fall in line.

But it might mean any or all of these things.

Optimism—or desperation—lends substance to the hope that the January upsurge of labor trouble can be minimized by a slightly more lenient policy on prices. But not all industries have as good a case as steel's—not a single across-the-board price increase since 1939.

On the other hand, few industries give OPA the problem steel does. Few other products are so big a cost item for so many industries.

Price policy—inflation control—will become the country's number one problem if labor trouble can now be quieted.

It isn't just a matter of how much steel costs. Steel, as such, isn't a cost-of-living item. For most products made of steel, it may be possible for OPA to force cost absorption below the retail level.

But there probably will have to be a meat-price increase to settle the packers' wage dispute. That will raise the cost of living.

And, behind it all, there is the old wage-cost-price spiral.

Inflation had a part in the buoyancy of stock prices on Tuesday.

The market upsurge was touched off by President Truman's promise of higher steel prices; traders saw in this, primarily, a hope for labor peace, but, secondarily, they saw the effect on all price policy.

OPA's reluctance to give on steel prices was due to its realization of the way such action would affect all other prices.

But—here's something else to watch: If prices threaten to get out of hand, OPA's chance of a lease on life beyond June 30 is heightened.

Chester Bowles may collect a benefit from a setback. He may, in fact, be counting on just such an outcome.

Early settlement of labor troubles could have a considerable influence on federal finances in the 1946-47 fiscal year. The sooner business gets going, the sooner Uncle Sam will collect taxes on a boom economy.

Not knowing how soon the upsurge will come or how rapid it will be, President Truman probably will understate federal revenues in the budget he gives Congress on Jan. 21. He may also overstate the outgo.

If he thus exaggerates the deficit, the final figure will make him look good politically.

Federal expenditures probably won't be as high as the \$38 billion that

THE OUTLOOK (Continued)

BUSINESS WEEK
JANUARY 12, 1946

Washington reports say the President's budget report will predict. This is particularly true if we have a fairly high degree of prosperity, because then there would be a need for only minimum outlays on public works.

Moreover, a rising business curve has another favorable effect on federal finances. With incomes rising, tax collections have a way of always running ahead of the Budget Bureau's calculations.

With luck (and no tax cuts), revenues for the year starting next July 1 might total as much as \$33 billion. With the greatest good fortune, such a figure could match federal expenditures.

However, a balanced budget in the 1946-47 year is a very bad bet.

•
Congress is talking—now—of little or no change in 1947 income taxes.

This stand will be strengthened if, as expected, the President's budget overstates expenditures and understates income. This combination would argue in favor of the caution legislators now advocate.

But they will change their tunes (BW—Jan. 5 '46, p16). With taxes still very high, congressmen can be counted on for cuts in election year.

And just to illustrate what a modest piece of tax relief can do to federal revenues with national income at a high level: Adding \$250 to personal exemptions would lop about \$2½ billion off the Treasury's annual take; a 3% cut in the levy on personal incomes in all of the brackets would total about \$2 billion a year.

Elimination of wartime excises would cut about \$1 billion.

•
Declining consumer incomes after the end of the war didn't stem the rise in money in circulation during late 1945. Record retail trade needed a whale of a lot of pocket money.

However, circulation dropped \$158,000,000 in the week after Christmas (one of the deepest drops in two years) to a total of \$28,491,000,000.

Such a decline was to be expected after the spending spree of the preceding three months. But it may be more than a minor reversal.

Consumers' incomes will decline considerably further (BW—Jan. 5 '46, p10) before they hit bottom three or four months from now. This will affect money in circulation, maybe cause a cut of several billions.

•
Banking policy may be rather importantly influenced by the trend of currency in circulation during the next three months.

The excess reserves of Federal Reserve member banks tend to go up as currency is taken out of private hands. More excess reserves give the banks more latitude in their lending.

This may not please the Federal Reserve Board. The board's policy, in money market control, has been to keep the banks on pretty short leash.

If excess reserves rise, the board faces a delicate problem. It could sell government bonds in the open market. Banks presumably would be the principal buyers, and their reserves would be sopped up.

But the twelve Federal Reserve banks have long been cast in the role of buyers, supporting the market for Treasury bonds. The question is, if they started to sell, would they upset the delicate balance of the market?

It is a dead certainty that the Fed won't do anything to endanger the price of government bonds.

FIG
THE
PRODU
Steel
Produ
Engin
Electr
Crude
Bitum
TRADE
Misce
All C
Mon
Depar
Busin
PRICES
Spot
Indus
Dome
Finis
Scrap
Copp
Whe
Suga
Cotto
Woo
Rub
FINAN
90 S
Med
High
Call
Prim
BANK
Dem
Tota
Com
Secu
U. S
Oth
Exce
Tota
* Prelim
25
22
20
17
15
12
10
1921-25-100
BUSIN

FIGURES OF THE WEEK

THE INDEX (see chart below). *174.0 173.3 170.3 231.5 162.2

PRODUCTION

Steel Ingot Operations (% of capacity).....	82.0	80.6	82.9	91.6	97.3
Production of Automobiles and Trucks.....	13,920	10,690	14,580	19,735	98,236
Engineering Const. Awards (Eng. News-Rec. 4-week daily av. in thousands)....	\$11,065	\$10,048	\$11,033	\$4,322	\$19,433
Electric Power Output (million kilowatt-hours).....	*3,845	†3,759	4,097	4,427	3,130
Crude Oil (daily average, 1,000 bbls.).....	4,548	4,474	4,469	4,679	3,842
Bituminous Coal (daily average, 1,000 tons).....	1,400	†1,830	2,058	1,687	1,685

TRADE

Miscellaneous and L.C.L. Carloadings (daily average, 1,000 cars).....	72	75	80	78	86
All Other Carloadings (daily average, 1,000 cars).....	46	50	54	48	52
Money in Circulation (Wednesday series, millions).....	\$28,491	\$28,649	\$28,279	\$25,326	\$9,613
Department Store Sales (change from same week of preceding year).....	+27%	+14%	+7%	+12%	+17%
Business Failures (Dun & Bradstreet, number).....	13	7	14	19	228

PRICES (Average for the week)

Spot Commodity Index (Moody's, Dec. 31, 1931=100).....	264.7	264.8	264.6	254.7	198.1
Industrial Raw Materials (U. S. Bureau of Labor Statistics, Aug., 1939=100)...	169.7	169.7	169.6	166.4	138.5
Domestic Farm Products (U. S. Bureau of Labor Statistics, Aug., 1939=100)...	232.8	†234.0	233.4	224.3	146.6
†Finished Steel Composite (Steel, ton).....	\$58.27	\$58.27	\$58.27	\$56.73	\$56.73
†Scrap Steel Composite (Iron Age, ton).....	\$19.17	\$19.17	\$19.17	\$19.17	\$19.48
†Copper (electrolytic, Connecticut Valley, lb.).....	12.000¢	12.000¢	12.000¢	12.000¢	12.022¢
†Wheat (Kansas City, bu.).....	\$1.69	\$1.70	\$1.69	\$1.63	\$0.99
†Sugar (raw, delivered New York, lb.).....	3.75¢	3.75¢	3.75¢	3.75¢	3.38¢
Cotton (middling, ten designated markets, lb.).....	24.46¢	24.56¢	24.50¢	21.83¢	13.94¢
†Wool Tops (New York, lb.).....	\$1.330	\$1.330	\$1.330	\$1.340	\$1.281
†Rubber (ribbed smoked sheets, New York, lb.).....	22.50¢	22.50¢	22.50¢	22.50¢	22.16¢

FINANCE

90 Stocks, Price Index (Standard & Poor's Corp.).....	138.6	137.5	139.5	107.5	78.0
Medium Grade Corporate Bond Yield (30 Baa issues, Moody's).....	3.04%	3.06%	3.11%	3.47%	4.33%
High Grade Corporate Bond Yield (30 Aaa issues, Moody's).....	2.57%	2.59%	2.62%	2.70%	2.77%
Call Loans Renewal Rate, N. Y. Stock Exchange (daily average).....	1.00%	1.00%	1.00%	1.00%	1.00%
Prime Commercial Paper, 4-to-6 months, N. Y. City (prevailing rate).....	½%	½%	½%	½%	1-½%

BANKING (Millions of dollars)

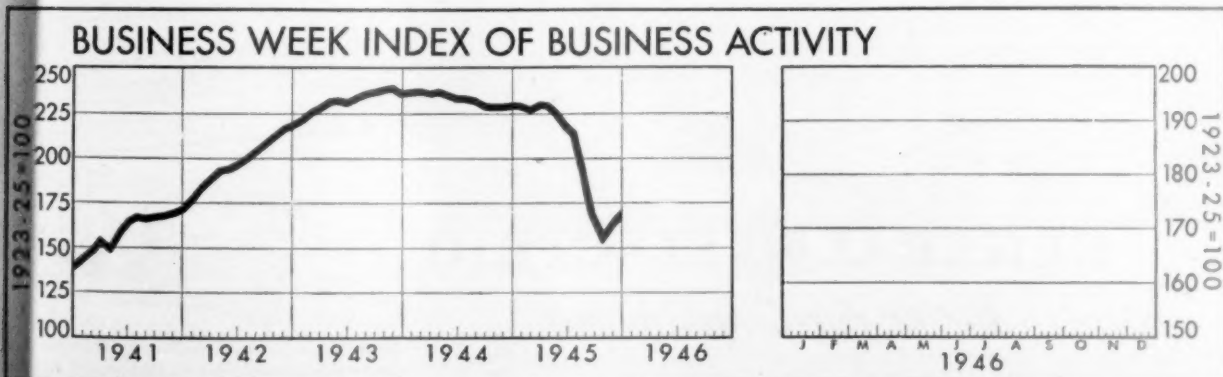
Demand Deposits Adjusted, reporting member banks.....	37,066	37,556	37,452	34,667	23,876
Total Loans and Investments, reporting member banks.....	67,948	67,733	67,140	59,887	28,191
Commercial and Agricultural Loans, reporting member banks.....	7,258	7,268	6,964	6,415	6,296
Securities Loans, reporting member banks.....	5,749	5,709	5,421	3,739	940
U. S. Gov't and Gov't Guaranteed Obligations Held, reporting member banks..	48,674	48,541	48,654	44,323	14,085
Other Securities Held, reporting member banks.....	3,384	3,363	3,233	2,934	3,710
Excess Reserves, all member banks (Wednesday series).....	1,480	1,350	1,750	1,158	5,290
Total Federal Reserve Credit Outstanding (Wednesday series).....	24,847	25,172	24,229	19,470	2,265

* Preliminary, week ended January 5th.

† Revised.

‡ Ceiling fixed by government.

§ Date for "Latest Week" on each series on request.



Air Condition your mind!

...before you air condition
your business

Let a refreshing breeze of facts clear your mind of wrong ideas about air conditioning.

Today people look to air conditioning for more than mere cooling. Better Air Conditioning systems... the G-E kind... adequately cool*, dehumidify*, filter, gently circulate the air, and ventilate as well.

Be sure the air conditioning you install gives you all five... abundantly... well balanced... in accordance with G. E.'s high engineering standards. It will make your customers enjoy doing business with you. It will increase employee efficiency and protect merchandise and equipment as well.

It's worth a lot more for Better Air Conditioning that costs less in the long run. Get the full story on G-E air conditioning today. General Electric Company, Air Conditioning Department, Section 6861, Bloomfield, New Jersey.

*Heat and humidify in winter



Get these FIVE benefits from Better Air Conditioning

1. **COOLING***... Ample cooling capacity to maintain the right temperature even on the hottest days.
2. **DEHUMIDIFICATION***... Has enough machine capacity to dry the air as well as cool it... effectively eliminates mugginess due to humidity.
3. **CIRCULATION**... Gently circulates the right amount of air to give even temperature throughout.
4. **FILTRATION**... Has a big enough filter to remove dust and dirt... to save many a dollar in cleaning expenses.
5. **VENTILATION**... Introduces plenty of outdoor air... keeps a clean fresh atmosphere.
*Heats and humidifies in winter

GENERAL  ELECTRIC
Better Air Conditioning



TURN TO G. E. for full information. There's a G dealer listed under "Air Conditioning" in your Classified Telephone Directory who can tell you what G-E Better Air Conditioning can do for you. Call him today.

Price Break Stirs Optimism

Concessions designed to enable steel to make wage boost and avert strike raise hopes that general labor crisis will clear soon, but long-run effect of White House policy can spell inflation.

The Administration finally subscribed to its own wage-price theory this week. As a result business found more reason to be optimistic about the labor crisis than at any time since V-J Day.

President Truman has repeatedly stated that wages and prices move inseparably together, but until the threat of a steel strike overshadowed the whole reconversion front, he had refused to put the theory into practice by permitting prices to rise in order to take care of wage increases.

• **Increase for Steel**—The President was converted to his own logic when he approved a price increase for steel—fixed at \$4 a ton at midweek but subject to change before official announcement—and forecasters immediately discounted the possibility of a strike for a \$2-a-day wage increase in the nation's basic industry.

It was expected that the steelworkers would settle for about \$1.15, and that the companies would be disposed to pay that under the new price ceiling.

• **Stocks Respond**—The stock market responded immediately. Steel shares led the market on Tuesday by moving up as much as four points. On Wednesday, an almost-stamped bull market left the stock tape behind. Investors in motor shares, which also had sharp gains, translated the anticipated \$1.15 steel wage boost into a 17.3% hike in auto pay, a figure which might be the compromise point in the broad labor demand for a 30% wage increase.

But the market was booming wholly on the basis of expectations, for the national steel strike call for Jan. 14 was still unrescinded. And the question of what effect a steel settlement might have on other fever spots was unresolved. The Administration was still trying to make convincing its statement that the retreat on the steel price line was "exceptional."

• **Still Stalemated**—The General Motors strike, in its seventh week, was still stalemated over the difference between the union's demand for a 30% wage increase with no raise in car prices, and the company counteroffer of 12½% with no price commitments.

The company, which had disassoci-

ated itself from the work of the fact-finding board which President Truman named to make recommendations for settling the dispute, was not expected to be moved much by the board's report advancing a "middle figure."

• **Other Difficulties**—Over industry still hung the threat of a national electrical manufacturing strike on Jan. 15; a meat-packing strike on Jan. 16; and a farm equipment manufacturing strike on Jan. 21. New York telegraph operators were out; the plate glass industry was at a standstill; telephone manufacturing was paralyzed; a telephone strike loomed. A price hike may avert meat trouble.

Close to 500,000 workers were directly involved in work stoppages, almost all of which were called to force wage boosts. About a million and a half more—not counting employees of auto companies presently operating but in dispute with their union over wages—were on strike notice, ready to walk out at the signal of their union officials.

• **Month of Decision**—January, long figured as the month of the big blow, al-

most had to be the month of decision as well.

Clearly, despite the effort of the President last week on the radio to put responsibility on Congress, the decisions required were going to be made by the executive branch. Congress simply wasn't going to pull the nation through its labor crisis.

Truman's recommendations of last December for legislation to make fact finding mandatory—which, like his ill-fated Labor-Management Conference, were concerned with procedure and not with root causes—temporarily succeeded in accomplishing one of their real objectives.

• **To Capitol Hill**—They redirected heat from the White House to Capitol Hill. But the objections of management, as well as labor, to the proposal, plus the holidays, made for a congressional inertia that could not be overcome. The very day that Congress reconvenes will see the virtual apex of the labor crisis—too late for any legislative action to have an effect on the immediate labor problem.

• **The Question**—Thus Harry Truman will have to decide whether, in effect, there will be more workers on strike this month than at any time before in this country's history, or whether price control will operate on a new and higher level. It is highly unrealistic to believe that the steel price rise, approved in



Surrounded by its chiefs of staff, the high command directing the C.I.O.'s major strike offensive—(left to right, seated) Albert Fitzgerald, Electrical Workers' head; Philip Murray, C.I.O. and United Steelworkers chieftain; and R. J. Thomas, United Auto Workers president—makes battle plans at a Washington strategy meeting with Lee Pressman (extreme left), C.I.O. counsel, on hand to make sure that such planning keeps within a legal framework.

order to avert a strike, will long remain "exceptional."

OPA, definitely unhappy about using the price line as a sacrificial offering, is keeping up its courage by grinding out statistics showing that a \$4 increase in the price of steel only means a \$2 increase in the cost of producing autos and much less in the case of refrigerators and stoves.

• **OPA's Interpretation**—The official interpretation in OPA is that the steel break and resultant wage increase will

not be important enough to create a real price spiral. That agency is hopeful that any further price concessions can be absorbed either by processors or through downgrading merchandise, and that they will leave the consumer's pocketbook largely unaffected.

But any talk of keeping the steel price concession exceptional is bookkeeping jargon; it will persuade only those who are remote from real events.

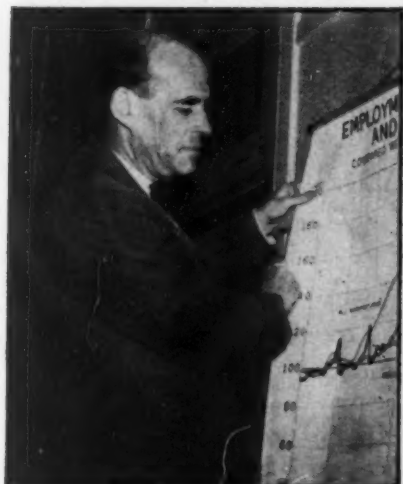
• **What It Means**—With such a precedent established, few employers will be

disposed to grant wage increases without securing comparable price increases. And in any event, once the wage pressure of increases in steel, glass, rubber, lumber, automotive parts, and other industries are compounded with the wage increase in the auto industry itself, the price of producing cars won't look like the high like OPA's \$2 figure, which is based exclusively on the "exception" in the case of steel.

Thus the steel case lays the groundwork for that cause and effect relationship



Picket lines across America made January a month of decision. President Truman's fact-finding panel (above, left) in the impending steel strike kept busy, its members (left to right), Roger I. McDonough, Nathan P. Feinsinger, chairman, and James M. Douglas, weighing wages and prices. In Chicago, Lewis Clark (above, right), head of the packing house workers, and union officers, planned their next move. In Kearny, N. J., a picket line (left) at the Western Electric plant was indicative of the temper of a dispute which menaced communications. In Washington Lloyd K. Garrison (below) folded his charts as his last act as chairman of the defunct War Labor Board took up his new duties as chairman of fact-finders in the General Motors strike. And before Cleveland's Fisher Bros. plant, even the kids picketed for striking fathers.



ship out of which an inflationary spiral grows. Wages, boosted through the wage pressure of higher living costs, will boost living costs again, making the new wage level tenuous and insecure.

And So Again—By the end of the year another wage crisis—which because of the highly organized status of labor now is a mere strike crisis—will be upon us.

Yielding on the price line removes the current strike threats, but brings no real solution. It buys only time which, utilized to increase production to the point where supply is adequate and competitive forces assert themselves to force prices down, may be enough to establish economic equilibrium.

Or it may not be enough. And if it isn't, the current crisis won't be a pattern on the crisis that lies ahead.

Flexible Wage

Kaiser-Frazer's contract with U.A.W. hitches pay rate to production, as well as to what is paid by Ford and G.M.

First major break this week in the protracted automotive industry wage controversy—an agreement between the Kaiser-Frazer Corp. and the United Auto Workers (C.I.O.)—gave the new company a smart sendoff on scheduled production of 300,000 cars in 1946. But other auto producers, looking for a formula to settle their wage problems, did not have their eyes on their new competitor; instead they were watching union negotiations in steel (page 15).

• Pay Tied to Production—In signing the second new contract of the automotive industry—Studebaker was first (BW—Sep. 15 '45, p. 94) with an agreement to raise wages 12% and match any higher raise granted by the Big Three—Kaiser-Frazer and U.A.W. engineered a novel tie-up of wages and production schedules in what both described as "most pleasant" negotiations.

The agreement provides: (1) Kaiser-Frazer will assume the basic wage rate of the Ford River Rouge plant, highest in the industry and now \$1.19 an hour, to which will be added any increase granted by G. M. as a result of current negotiations; (2) the company will deposit into a jointly operated trust fund \$5 for each finished automobile delivered from Willow Run assembly lines. The fund is to be used at the end of the year to pay a production bonus for all qualified workers—that is, to all who do not engage in wildcat work stoppages during the year.

• Union Shop—It also grants U.A.W. a union shop at Willow Run, and a check-



THEY NOW SHOULDER PICKET SIGNS

With determination and picket signs, discharged servicemen protesting a landlords' strike against OPA rent ceilings (BW—Dec. 1 '45, p. 21) "storm" a Salt Lake City real estate office, win their objective within two hours. Members of Atomic Post, Veterans of Foreign Wars, they went into action when Carlos Badger, broker and apartment house owner, withdrew 125 apartment units from the market. Badger not only put the units back into circulation but members of the Apartment House Owners' Assn. postponed their strike action. One adamant owner, Mrs. Robert Jackson, refused to rent a furnished apartment at ceiling, instead presented it rent free for three months to a veteran.

off of dues. In return, U.A.W. undertakes to guarantee that a production rate of not less than 90% will be maintained during the year. Both parties agree to submit grievances to an umpire.

In effect, the 90% production guarantee amounted to a no-strike pledge, a position which the union made clearer by accepting management's restriction of bonus payments to workers with a strike-free record.

In dollars and cents, the bonus is expected by company and union to amount to about 10% of annual pay, provided production reaches 300,000 cars and 8,000 workers participate.

• An Experiment—While the new security plan is feasible for Kaiser-Frazer, a closely integrated manufacturing plant, its value to the other automotive producers is at most dubious. G. M., with more than 200,000 employees scattered through assembly and parts plants, and with higher production schedules, probably would find the plan costly, complex, and unwieldy. So would Ford and Chrysler, but practical variants on the basic idea are not impossible. One advantage Kaiser-Frazer has in undertaking the experiment is that its price list will not, as its competitors', be fixed by previous manufacturing experience.

Housing Pressure

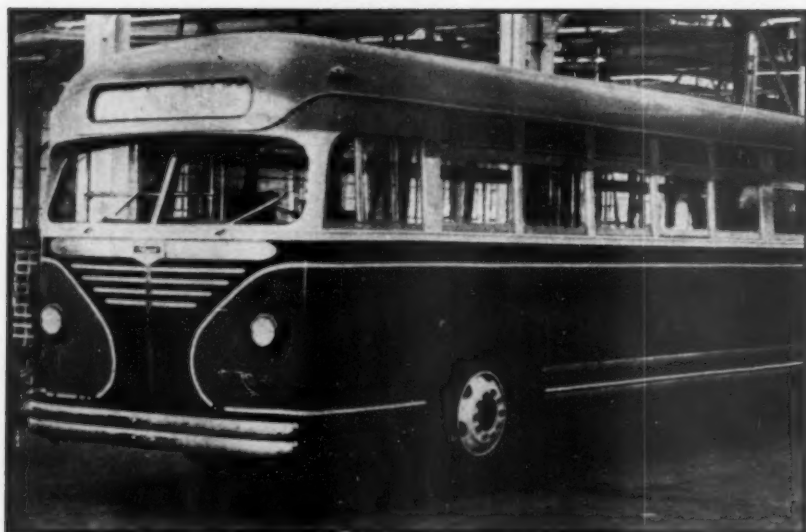
Administration will push modified Patman bill in order to assure the continuation of government priority powers.

The Patman housing bill (HR 4761) will be modified but not shelved as a result of President Truman's action in the housing emergency (BW—Dec. 22 '45, p. 15). In fact, the Administration may be expected to throw some real support behind a revised measure shortly after Congress' return next week.

• Would Extend Powers—Two reasons underlie this possibility:

(1) The government's priorities powers, a key weapon in the Administration's housing drive, are currently scheduled to expire with the Second War Powers Act next June 30 (BW—Dec. 22 '45, p. 10). Although the President has already said that he will press for a six months' extension, passage of the Patman bill would assure the continuance of priorities powers—for housing, at least—as far ahead as Dec. 31, 1947.

(2) Even if the Second War Powers



CHEERFUL TIDINGS FOR STANDEES

Off the assembly lines at Allentown, Pa., rolls the first Mack bus manufactured since April, 1943. It leads a parade of others slated for completion at a ten-a-day rate with Indianapolis to get the first ten, Worcester, Mass., the next 50 because they're early bird cities on the order list. The Allentown plant, relinquished during the war to Consolidated Vultee Aircraft for plane production, has a 2,500-ft. assembly line with 76 stations. One-half of the layout will be devoted to the output of buses, the other to trucks and taxis.

Act is extended, the Administration would still need legislation to impose price ceilings on existing homes. The Chief Executive considers this a vital factor in curbing the inflation in home values. Presently, the Administration has at least a loose lid on prices of new homes because it grants preferences for scarce materials to contractors building homes to sell for not more than \$10,000 (or rent for not more than \$80 a month). The Patman bill provides for price limits on existing homes as well.

• **Compromise Likely**—Rep. Wright Patman, Texas Democrat, and author of the bill, is understood to be willing to make certain modifications in HR 4761 to make it consistent with the White House program announced early last month.

He is expected to forego the provision setting up an office of housing stabilization, whose director would run the housing show over the next two years. This is a concession to the recent appointment of a Housing Expediter—Wilson W. Wyatt, ex-mayor of Louisville—in the Office of War Mobilization & Reconversion.

Patman won't trade away this provision, however, until Wyatt is given more explicit powers. One way of doing this would be to make Wyatt administrator of the National Housing Agency—

a prospect that is quite likely to be fulfilled (BW—Jan. 5 '46, p7).

• **Wants Tight Clamp**—A second major concession is possible with respect to price limits on new homes.

As the Patman bill now stands, such prices would be set by figuring current building costs (legal prices for materials plus outlays for labor) and allowing a profit based on the margin prevailing in 1941 for similar construction. Instead of this, it is understood that Patman will go along on the present method of controlling new-home prices—if the "loose lid" is clamped down tight by actually denying materials to all except those agreeing to build homes in the \$8,000-and-under class. This would restore the wartime price limit on newly built homes, which was a byproduct of the government's method of conserving materials through order L-41, lifted last October.

• **Horse-Trade Likely**—Severe penalties for profiteering on the current emergency—such as imprisonment, fine, and treble damages to injured parties—are the type of thing that will very likely be horse-traded away if the Patman bill gets to the floor.

HR 4761 is still in the House Banking & Currency Committee, to which it was committed late in November, when the bill was introduced. Rather than risk a vote on it before the holiday

recess, sponsors of the legislation are gambling that committee members will hear enough housing woe from constituents to assure a favorable vote on their return. If the gamble goes off, as it very well may, hearings will be cut short, and the bill will move to debate on the House floor.

• **Fight Ahead**—Sponsors of the bill know that they face a hard fight. Elements will make much of the fact that the Administration has already come to grips with the housing problem by appointing a Housing Expediter, granting preferences to veterans, channeling materials into homes selling for \$10,000 and less, freeing surplus government stocks of scarce building materials, products, and so on.

Sponsors are counting on out-and-out support of a modified bill by the House. If that develops, they think they can get the legislation written into law within 90 days.

Air Freight War

Rates fall as American Airlines revises its tariffs upon entry of United as third competitor with regular schedule.

The battle among the major airlines for freight business (BW—Dec. 1 '45) is developing all the earmarks of an old-fashioned rate war.

• **United Enters**—As recently as last month, American Airlines was the sole company actively engaged in scheduled flying of freight (as distinct from air mail press). Transcontinental & Western Express was operating such service experimentally between five cities on its main route. In mid-December TWA announced that the experiment having proved successful, it would inaugurate freight service for its entire territory on January 1 (BW—Dec. 22 '45, p36). At the same time, it announced a new rate schedule approximately 10% below American's.

Last week United Air Lines made its first entry into the field when it announced an air freight schedule, effective Feb. 1, with rates lower than TWA's. And this week Air Transport, a McGraw-Hill publication, reports that American is about to retaliate by issuing a new rate schedule 40% lower than its own previous tariffs.

• **Abandon Class Rates**—United's schedule is unique in that there is no rate differential between different types of merchandise. Previously, the airlines followed the railroads' lead by charging "class rates" which varied by up to 70% from lowest to highest. What position American's forthcoming schedule will

gi late
memb
e from
onable
gamb
rings
move
of the
fight,
he fac
ady co
blem
gru
neling
for S
govern
material

ake on these differentials has not yet been announced.

All three lines carry freight shipments on regular passenger-mail planes as space is available. In addition, American is currently flying one regularly scheduled transcontinental all-freight round trip daily, TWA two, and United will have

three. As new planes become available, frequency of all-freight flights is certain to increase.

In the present scrambled state of affairs, only one thing is certain—the end is not yet. As one airline official put it: "We may be paying you to fly freight before you know it."

Oil Future Urged for Inches

SPA wants petroleum industry to buy two big pipelines and continue operation. Agency suggests alternative of federal control, but it frowns on conversion to natural gas carriers.

out-and
the V
ment's
warime
white
elephants
was
think
given
further
treatment
last week
when
Stuart
Symington
reported
to Congress
on the Big
Inch and
Little Inch
pipelines,
the Texas-
to-Atlantic
Coast
war emergency
crude oil and
refined
products
conduits. The
report, required
by the Surplus
Property Act of
1944,
disagrees with
findings of an
industry
committee and
with reports made
for the Reconstruction
Finance Corp. by
Ford, Bacon &
Davis, New York
engineering
firm, as to the over-all
question of final
utilization (BW-Dec.29'45,
for air 19).

1'45. Boost for Continued Use—SPA's report sets forth three possibilities, presumably giving the preference to the first of them, for postwar use of the now idle big trunk lines:

(1) Continuance in the service for which they were built—to carry oil from eastern Texas to the East Coast.

(2) "Segmentation, reversal, or conversion" to other petroleum service, primarily as an interior region transportation improvement.

(3) Conversion to natural gas transportation. The third alternative is pronounced economically sound but is to be considered only if the national security, as regards oil, is otherwise adequately protected; SPA comments in its report that such use of the pipelines might disrupt eastern coal, railroad, and other industries.

Still Competitive—SPA makes an emphatic case for operation of the 24-inch crude oil line—Longview, Tex., to New York-Philadelphia refining areas—in competition with tankers, saying that even at two-thirds capacity operation it would still be in a good competitive position. The 20-inch products line—Beaumont to New York—is in a poorer position with respect to tanker competition, SPA says.

The crude line is in the interior of Texas where direct loading on tankers is not possible, while the products line,

on the contrary, has its start at a harbor refinery area.

For Sale or Lease—The federal agency's conclusion is that the two big lines should be kept in petroleum service. If they cannot be kept going as Texas-Atlantic Coast carriers, SPA says that they should be used to interior points. Every effort will be made to sell them to the petroleum industry, and failing that, leasing will be considered. Should that also fail, government operation on a "full-cost basis may have to be considered," but this would be a policy

that would be subject to the will of Congress.

Distinctly not favored by SPA is the November recommendation of the industry committee to the Senate committee investigating petroleum resources that government petroleum facilities which lack buyers should be maintained in standby status. SPA thinks that such a project would be too expensive.

Blow to Gas Proponents—The report in general contains something of comfort to nearly all except the industry committee and those who would convert the big lines to natural gas. It offers the possibility of government operation, favored in bills recently introduced by Representatives Jerry Voorhis of California and John H. Folger of North Carolina, and by Sen. William Langer of North Dakota. Only other expression before Congress is that of Senator W. Lee O'Daniel of Texas, who would forbid use of the lines for natural gas since there is a strong sentiment in the southwestern states that is averse to depleting the natural gas resources of the region by diverting them to other parts of the country. No bill has been given committee attention.

The only potential purchasers in sight,



WANTED: HOMESITE FOR A UNITED WORLD

At La Guardia Field, New York's official greeter, Grover Whalen (center, in light coat) welcomes Dr. Stoyan Gavrilovic of Yugoslavia and his committee, here to inspect sites for a United Nations Organization home. Whalen's cordiality was altruistic—big cities are apparently out of the running. After a call on President Truman, the group will look over the favored areas, communities around New York, Boston and its environs. And while local sons are kept busy extolling their favorite spots, Dr. Gavrilovic diplomatically comments only on the splendid cooperation his committee is receiving.



LIQUIDATION EXPEDITER

Robert L. McKeever, Washington real estate broker for 37 years, this week got the newly created job of "expediting" the liquidation of temporary war agencies. Appointed by President Truman, he'll act "in consultation" with a special advisory committee of representatives from the Treasury Dept., Surplus Property Administration, Civil Service Commission, Public Buildings Administration, General Accounting Office, Budget Bureau, and the National Archives.

however, are groups who say they are interested in natural gas. Coal and railroad interests and the United Mine Workers have objected to this use of the lines.

• **Problem for Big Companies**—An obvious problem that would confront any company or group, or the government itself, in considering the methods advocated by SPA would be that of getting enough oil into the crude line to enable its operation at all. Crude oil is not consigned by the producer to the refiner but is bought at the source. Nearly all the crude oil moving through a trunk line is the property of the refiner who will use it.

The minor percentage used by independent refiners is generally processed in plants near the oil fields. The big companies which own Eastern Seaboard refineries also own tankers and undoubtedly will acquire more from the government's big fleet—another disposal problem immediately ahead.

If these companies choose to return to prewar tanker transportation of all crude oil and products moving from the Southwest to the Atlantic Coast, as they have indicated they will do, neither crude oil nor products would be available in the large quantity needed to

justify operation of pipelines of the size of the two "inch" lines.

• **Double Lack**—Neither, in that event, would there be a customer on the seaboard, because of lack of independent refiners east of the Appalachians. Seldom does an independent producer own any pipeline gathering facilities in the field. He sells to the big companies, or to smaller refiners who need all they can buy for their own plants.

Under existing conditions there is lacking both supply of oil at the field end and customers at the Atlantic Coast end. One possibility is that a cooperative group, with government aid, might attempt to operate part of the system, but such a possibility is not discussed by SPA.

• **Suggests Reversal**—The agency suggests that if full operation of the lines to the East Coast is not realized, that they be used to serve interior points. The crude line starts in eastern Texas and passes through Arkansas, the tip of Missouri, southern Illinois, Indiana, Ohio, and Pennsylvania; the products line follows the same route except that it crosses Louisiana. Interior refineries now serving the interior region accessible to the crude line had their own trunk line arrangements before the war—there are six major systems going northeast from Texas and Oklahoma to refining centers as far east as Ohio. SPA's suggestion is that new refineries might be built along the line.

Anticipating possible further decline in crude oil production in Oklahoma, Illinois, and interior midwest states, SPA also thinks that part of the big crude line could be reversed and used to move imported oil west.

• **Not Declared Yet**—Several possible uses of the products line are suggested, such as movement of products from the Gulf Coast and interior refineries (presumably Texas and Louisiana) into the several states through which the line passes. The report says that the four other smaller government-owned lines constitute no disposal problem.

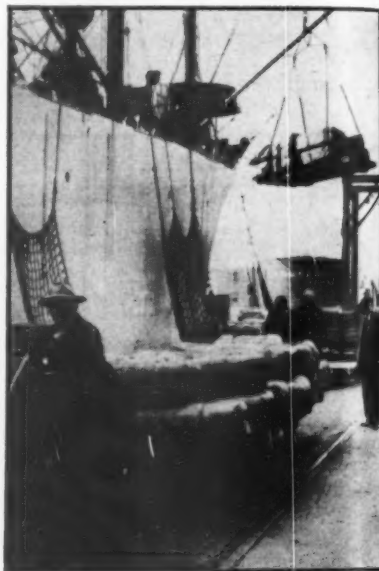
Formal declaration that the lines are surplus has not been made. Once it is, the properties will go over to RFC for sale, lease, or other handling. There the War Assets Corp., RFC subsidiary, will have charge. Thus, War Assets Corp. will be in the pipeline business, though in a different sense than originally contemplated. Originally it was issued a charter in 1943 as the Petroleum Reserve Corp., and its only proposal was to construct a pipeline in Saudi Arabia. This was blocked by Congress. By executive order PRC was recently moved back from control of Foreign Economic Administration to RFC, its name was changed, and it was made a surplus property disposal agency.

Science Speaking

Having headed off the May-Johnson bill, "junior atom smashers" are making national drive for McMahon measure.

The May-Johnson bill, bearing the names of Kentucky's Andrew May and Colorado's Edwin Johnson, chairman and acting chairman respectively of the House and Senate Military Affairs committees, was as official as turkey for Thanksgiving when it was trundled up to Capitol Hill last fall, fresh from the Army's legislation-framers. Some weeks later, it was as thoroughly blasted as Hiroshima—and the same scientists did both jobs.

Today, the Senate's special committee on atomic energy has a new atom control bill, authored by Chairman Brien McMahon of Connecticut. In direct opposition to the May-Johnson bill, the McMahon bill calls for both



THE SILKWORM TURNS

On the docks of San Francisco, the first raw silk from the Orient since Pearl Harbor is unloaded from the S. S. President Grant. The cargo of some 600 bales, for New York mills, was shipped from Shanghai under the auspices of Universal Trading Corp., Chinese government agent. Smaller shipments are hoped for soon. In a depleted silk market, the prewar glamor fabric faces stiff competition from the war-developed textiles.

private and governmental research on nuclear fission, and for "a program for free dissemination of basic scientific information and for maximum liberality in dissemination of related technical information."

Basic Complaint Met—Such provisions meet the first and basic complaint that the atom-smashers had against the May-Johnson bill, which they said would halt scientific exploration in the field of nuclear physics and which provoked some threats of "scientific strikes."

Having finished its first self-assigned task, the actual halting of the May-Johnson bill, a group of young physicists, engineers, and mathematicians has taken as its next task a campaign of public education.

The result is a publicity-propaganda drive, now getting under way, which is calculated to make the American people the best informed in the world on the implications of nuclear energy.

The Information Committee—Already these press agents for the atomic era—working out of fifth-floor walk-up offices in Washington—have instigated the organization of a National Committee on Atomic Information, whose membership includes such diverse associations as the Federal Council of Churches and the National Farmers Union, the American Bar Assn. and the National Lawyers Guild. Other big league groups participating in a move which is designed to reach all Americans who are members of anything at all are the A.F.L. and C.I.O., the National Education Assn., National League of Women Voters, American Council of Learned Societies, the Railroad Brotherhoods, and the National Citizens Political Action Committee.

"Our Washington job is pretty well done," declares William A. Higinbotham, executive secretary of the Federation of Atomic Scientists, formerly a physicist at the Los Alamos atomic bomb plant. "The way Congress votes on whatever atom control legislation is presented will be determined by the people back home; so we figure ours is a job of public education from now on."

Washington Job—According to Higinbotham, the scientists found senators and representatives hungry for information on the bomb.

That the group's Washington job was in truth "pretty well done" is conceded by veterans of the lobbying trade, who confess themselves astounded that a should have been accomplished at all by youngsters operating on the assumption that the people back home will determine how Congress will vote on something other than a pork barrel.

Reaching the Public—The young men—many of them are under 30—who are



SECOND ARROW TO A NEW INDUSTRIAL BOW

This week Kaiser-Frazer Corp. exhibited its second automotive white hope—the Kaiser (above). It was just an artist's drawing resembling closely a previous one of the Frazer car (BW—Dec.29'45,p17), but there the resemblance ends. The 117-in. Kaiser, supposed to sell for about \$1,000, is slated for a front wheel drive with its six-cylinder 85-hp. engine, clutch, and transmission in a single unit. More radical will be the matter of springing; steel rods will absorb shock through torque action, a device used on buses, big trucks, and military equipment but seldom on passenger cars. An "in-the-flesh" showing of both cars is promised for this month in New York.

pursuing this mass education job are ready to use about any known method of reaching the public. To assure that both sides of the street are covered, they are doing what they can to help in the production of several Hollywood efforts on atomic energy. Both M.G.M. and Paramount have full-length presentations on the schedule.

It is easy to get the impression that the "junior atom-smashers," as they have been called—and not contemptuously—are perfectly willing to play any role, from that of intellectual lecturers before meetings whose theme is "Education for Survival" to that of pitchmen for the greatest age on earth—the atomic era—so long as they can pay off the debt they consider themselves to have incurred by participation in the Manhattan Project.

Drive Widens Scope—The Federation of Atomic Scientists, which has been doing the political skirmishing up to this point, is about to tie in with an all-inclusive body known as the Federation of American Scientists, a group that will undertake a more active political role than has characterized such organizations in the past.

A conference to complete the organization of the over-all federation was held in New York a few days ago, with Higinbotham of the atomic scientists as temporary chairman.

The new federation's constitution recognizes the "responsibility of scientists in promoting the welfare of mankind and the achievement of a stable world peace."

Tires Still Scarce

Makers and dealers are forced to adjust to fact that record output planned for '46 won't overcome war's deficit.

With tire rationing banished last week into limbo, along with most other wartime controls, the rubber industry takes over the burden, heretofore borne by OPA, of explaining the continuing tire shortage to the motoring public.

For the end of rationing, based on sharply increased production, doesn't mean an immediate end of shortages. Industry consensus now is that tires will continue scarce for another six months, with considerable easing in the last half of the year. By early 1947, supply and demand should balance out for the first time since the U. S. entered the war.

Year's Goal—Industry-wide production goal for this year is 66,000,000 units. If the industry comes anywhere near this mark, 1946 will be the biggest year in history for passenger car tire production. Previous high was 53,000,000 tires produced in 1928.

Even if the 66,000,000-tire goal is achieved, the industry will be an estimated six to seven million tires short of meeting total demand in 1946. The explanation is found in low wartime production, which resulted in a steady accumulation of demand. In 1945, tire

output for civilian cars was only 28,000,000, and this figure reflected year-end production gains; output in December was 4,000,000 units, highest monthly record in four years. At the end of 1945, the industry was operating at about 75% of capacity. Inventories are now at an all-time low.

• **The Prospect**—By the end of this year there should be some 2,000,000 tires in the distribution pipeline—in manufacturers' inventories, en route to dealers, and in dealers' stocks—against normal peacetime stocks of around 8,000,000.

Some 22,000,000 of the tires produced in '46 will be snapped up by the auto industry as original equipment on new cars (still only four tires to a car). A few tires will be allocated for export.

The remaining 42,000,000 units will go to meet the needs of the 23,000,000 old automobiles on the road today, and the demand of new car owners for a spare. Against this, the 1946 demand of the country's drivers is estimated at close to 50,000,000 casings. Hence the continuing deficit.

While no production goal has been

set on inner tubes, the industry expects to follow the prewar pattern by turning out more tubes than tires in 1946. Although more tubes than tires are sold in a normal year, the demand for them today is not as heavy as that for casings.

• **Caught Short**—A stampede developed when OPA dropped rationing. Consumers swarmed down on dealers; dealers, in turn, appealed to manufacturers. Many dealers were forced to substitute their own, informal rationing system for OPA's, limiting sales to one or two tires per customer.

Manufacturers and honest dealers watched with alarm the outcroppings of a black market. The abandonment of rationing is likely to bring a repetition of what happened early in the war when tires were under OPA price ceilings but rationing had not yet been established. Until OPA coupled ceilings with rationing, limiting consumer demand, tires were one of the black spots in price control enforcement.

• **Recapping Programs**—To take the heat off their dealers and themselves in the scramble for tires, some companies are reviving recapping programs. By extending this sop to disgruntled motorists, they hope to stave off at least a part of current consumer demand until they are better prepared to meet it.

Recapping dropped off sharply after V-J Day; the average motorist apparently felt that tire conservation was no longer necessary.

General Tire & Rubber Co. started two months ago urging motorists to put in their orders for new tires, simultaneously advising them to have their present casings recapped. Motorists were assured that they will receive full credit for unused mileage on recaps when they trade these in for new tires later on.

• **Facing the Facts**—Firestone Tire & Rubber Co. is taking newspaper space to boost a similar program which offers to buy back recaps. Other large manufacturers, including Goodyear Tire & Rubber Co., B. F. Goodrich Co., and United States Rubber Co., joined the Rubber Manufacturers Assn. in warning that tire conservation must remain in order for many months.

Sales executives note the return of the trade-in system, but doubt that it will be much of a factor in merchandising until supply catches up with demand. Such sales promotions obviously are not necessary now to stimulate the sale of new tires. How much the two companies which have already announced trade-in plans will allow new tire buyers will depend on the size and condition of the casings.

• **Price History**—Tire makers point out proudly that their product has increased little in price since prewar days, in



TO MARKET, TO MARKET

A four-mile line of trucks into a South St. Paul packing house is evidence that few little pigs stayed home this week. Farmers, worried about the threat of a packing house strike and taking advantage of this year's lower income taxes, rushed for market with their accumulated droves. Hog receipts soared to the highest point in two years with production and trading in lard keeping pace.

spite of widespread wage increases and substantial hikes in the cost of raw materials. Most of them regard present tire prices as too low. Early in the war OPA permitted an "add-on" to manufacturers' regular list prices.

This add-on was intended to cover extra costs involved in processing synthetic rubber. Over the industry's protests, OPA has steadily cut back the add-on, on the grounds that manufacturers now have greater know-how in processing synthetic rubber.

• **Then and Now**—Today the list price of the popular 6.00 x 16 casing is \$15.80, excluding the \$1.18 federal excise tax. In 1944 this same casing listed for \$16.05, plus tax.

At the outbreak of the war in 1941, the quotation was \$13.85, plus a tax of \$1.05. In 1939 it was \$13.95, including a much smaller tax. Ten years ago it was \$13.80.

A hitch in these latter figures is that

TIRE RATIONING ENDS!

Firestone

Announces a **NEW**

2-WAY PLAN

FOR YOUR
DRIVING SAFETY

1

We Will Recap Your Present Smooth Tires For Winter Driving Safety

2

When New Firestone De Luxe Champions Are Available In Your Area We Will Equip Your Car and Buy Your Recapped Tires

OPA has announced the end of the rationing of tires. (January 1, 1946) Now when these tires are in your car at a dealer's, don't let them go to waste. They are still good for a lot of miles. And you don't have to worry—Firestone has the answer.

This announcement also brings you driving safety. NOW when you need a new tire, you don't have to worry about a shortage. You can get a new tire from your dealer. And your old tire will be quickly recapped by the Firestone Recapping Method.

When new Firestone De Luxe Champions are available to you, we will buy your recapped tires and you won't lose a cent. Let the Firestone's Way take your car to the next driving safety.

DRIVE IN TODAY!

Call your nearest dealer!

Firestone, as well as General Tire & Rubber Co., is urging drivers to bring in their old tires for recapping now. Then, when brand-new shoes are available, the companies will apply a trade-in price for the recaps against the cost of new tires.



Are You Using this Steel Guide?

The Ryerson Stock List and Steel Data Book serves every department

Detailed information on Ryerson steel—descriptions, specifications, sizes, extras, etc.—is at your finger tips. In addition there are many pages of data covering: Average physical properties, AISI-SAE and NE steel compositions, Ryerson steel identification and other useful facts and figures—all in the new Ryerson Stock List and Steel Data Book.

It simplifies the work of every department in your company. With this complete steel guide, one order, one shipment, one invoice can often cover your warehouse steel needs.

Handy, pocket size . . . punched for your ring binder and index tabbed for quick reference, this book is your ready guide to steel specifying and buying for 1946. It is inval-

uable to the occasional as well as the regular steel user. Copies have been widely distributed, but, if you do not have one, contact our nearest plant.

Product information includes data on: Beams, Channels, Angles, Hot and Cold Finished Bars, Plates, Sheets, Alloy Steels, including Heat Treated and Special Alloys, Allegheny Stainless, Tool Steel, Mechanical Tubing, Boiler Tubes, Reinforcing Bars and Accessories, Inland 4-Way Floor Plate, Babbitt, Welding Rod, Bolts, Rivets, Metal Working Machinery and Tools, etc.

Joseph T. Ryerson & Son, Inc. Steel-Service Plants at: Chicago, Milwaukee, Detroit, St. Louis, Cincinnati, Cleveland, Pittsburgh, Philadelphia, Buffalo, New York, Boston.



RYERSON STEEL

NOW OXYGEN

from a chemical canister

TO PROTECT LIFE
IN UNBREATHABLE AIR!

THE REVOLUTIONARY
M.S.A.
Chemox
SELF-GENERATING

OXYGEN BREATHING APPARATUS



Battle-proved in war, this unique achievement of M.S.A. Research brings new ease and simplicity to the safe protection of workers in respiratory emergencies. When it is necessary to enter gaseous, smoke-filled, and oxygen-deficient atmospheres for rescue or emergency work, M.S.A. CHEMOX supplies oxygen from a replaceable canister, permitting safe repairs, fire-fighting, or escape. *Write for Bulletin BM-8!*



- Generates its own oxygen
- Gives one hour's protection in unbreathable air
- Weighs only 13½ pounds complete
- No cylinders, high-pressure valves or fittings
- Fog-free lenses
- Simple to use

ONE REPLACEABLE CANISTER DOES THE WHOLE JOB!

MINE SAFETY APPLIANCES COMPANY

BRADDOCK, THOMAS & MEADE STS. • PITTSBURGH 8, PA.

District Representatives in Principal Cities

In Canada: MINE SAFETY APPLIANCES COMPANY OF CANADA, Ltd.
TORONTO, MONTREAL, VANCOUVER, CALGARY, NEW GLASGOW, N. S.

before the war, and particularly during the depression years, manufacturers' prices bore little resemblance to the prices consumers actually paid. Discounts of 10%, 15%, and even 20% off list prices were the rule rather than the exception, as the big tire companies sought to match the competition of mail-order houses, oil chains, and other mass distributors of private brands.

• **Higher?**—Few executives are willing to say whether or not the industry will push for higher prices before OPA controls are lifted. They contend that, as of now, future costs are too fuzzy for them to determine price trends. Rubber unions are demanding a minimum 30¢-an-hour pay boost (BW-*Dec.29'45,p104*) from all companies.

While prices have remained relatively stable, rubber company tests show that technological improvements have vastly increased the life span of the average tire, giving the consumer a better buy for his money. The 1941 model had a big edge over the tire of 1936 vintage as the result of better rubber compounding and improved design and construction.

• **Synthetic vs. Natural**—Today most companies contend that their all-synthetic is just as good as the prewar all-natural rubber product. Some claim, without reservation, that the synthetic will outwear the prewar makes.

One big maker, more conservative, estimates today's synthetic as giving about 90% of the mileage of a 1941 natural rubber tire. This same company adds, however, that when rayon becomes more generally available for tire cord, synthetics will be as good or better than prewar tires of natural rubber using cotton cord.

However, tires that use rayon cord may be expected to sell at a premium price.

• **Conceded Point**—There is no debate on one point—the tires of the future will continue to use a substantial amount of synthetic, the exact amount depending largely on the price demanded by Far Eastern growers for their natural product.

BOBBI KAR REDESIGNED

Drastic changes have been made in the design of the Bobbi Kar, new lightweight automobile to be manufactured by the Bobbi Motor Car Corp. of San Diego (BW-*Jan.5'46,p54; Oct.27'45,p60*).

As originally announced, the Bobbi Kar was to have weighed 500 lb. (for the coupe), have an all-plastic body and a two-cylinder air-cooled engine. Present plans call for a metal body, a four-cylinder, water-cooled engine and a weight of something under 800 lb.

JANUARY



A shopper is born

A penny to spend...all by herself...and so much to choose from! It's her first taste of the thrill that lasts a lifetime—this fascinating business of shopping.

Most women really enjoy shopping. They like to compare values and buy what looks best. Transparent packaging enables them to feast their eyes...lets them actually see what they are buying.

Besides providing visibility, moistureproof Du Pont Cellophane completely protects freshness and flavor... keeps products clean and appealing—at low cost.

Although the present demand exceeds the supply, we hope the day is not far off when our converters and ourselves can again fill all requirements. In the meantime, you may wish our new booklet, "Help Yourself to Lower Distribution Costs." E. I. du Pont de Nemours & Co. (Inc.), Cellophane Division, Wilmington 98, Delaware.



Cellophane

Shows what it Protects—at Low Cost

BETTER THINGS FOR BETTER LIVING
... THROUGH CHEMISTRY

NEW PHOTO PAPER ELIMINATES DARKROOM

Peerless Photo-Arc reproductions
speed up new products

Now you can make any type of contact photo-reproduction with new ease, new speed, new standards of quality:

- Black line reproductions from pencil originals
- Sharp black and white prints on transparentized Vellum from blueprints or yellowed originals
- Reflexed negatives from opaque or two-sided originals
- Duplicates of letters and manuscripts

Moreover, every kind of Photo-Arc reproduction can be made on your blueprint machine.

Or, you can obtain a Photo-Arc printer at surprisingly low cost.

For further information write for Bulletin 1-B



**PEERLESS PHOTO-ARC
REPRODUCTION PAPERS**

Manufactured only by
PEERLESS PHOTO PRODUCTS, INC.
50 Broadway, New York 4, N. Y.

Save money, time and manpower with Tal's Prestal Pipe Bender

Plumbing, heating and electrical installations and maintenance work goes faster, easier, and is less costly when a Tal's Prestal Bender is on the job.

This do-all, portable machine saves valuable time, eliminates the use of fittings, and reduces welds up to 80%. It bends all iron and steel pipe and conduit from 3/8" to 3"—makes any degree bend in one easy operation without moving the pipe, without heating or filling. Does a workmanlike job—no kinks or wrinkles. No wonder thousands of these efficient machines are in successful use throughout industry, and by leading contractors. Write for bulletin.

TAL'S PRESTAL BENDER, INC.
Dept. BW-1 Milwaukee 2, Wisconsin



Medical Isotope

Carbon 13 will be available to research organizations as a result of program by Sun Oil Co. and Houdry Process Corp.

To bring a new tool to medical science, Sun Oil Co. and Houdry Process Corp. last week announced plans for production of a rare substance known as Carbon 13, and for free distribution of this isotope of carbon to "qualified, noncommercial biological and medical research organizations whose activities and experience justify such donations."

• **Of Different Weight**—Carbon compounds are the principal materials of construction of living things. Chemically identical with ordinary carbon, Carbon 13 differs in weight, having an atomic weight of 13 instead of 12.01. Thus, when it is introduced into animals or plants (as the carbon constituent of sugars, fats, plant foods), it can serve as a "tracer" by which intricate chemical reactions within the body or plant may be followed.

"This tracing" is accomplished by means of a mass spectrometer, an electrical instrument which measures the difference in masses of individual atoms.

• **New Insight?**—Principal hope is that use of C-13 will throw new light on

the secrets of metabolic disease processes, such as cancer, diabetes, hardening of the arteries, and heart disease. Medical science is much further advanced in the therapy of infectious diseases than it is in metabolic disease.

Houdry began working with C-13 in 1943, successfully constructing a thermal diffusion plant for concentrating the isotope. (C-13 is present in carbon in a ratio of about one part in 100.) Sun Oil began cooperating in financing the biological work a year ago. Production at the Houdry plant in Marcus Hook, Pa., has been at the rate of about one-fourth of a gram per month since mid-1945. The cost has been about \$400 per gram.

• **Expansion Program**—To make increased supplies available for scientists, Sun now will build two new plants which will increase world production 500 to 1,000 times. One plant, duplicating the existing facility, will be built at the Houdry laboratories. A large \$100,000 plant will be erected at Sun's Marcus Hook refinery. It is hoped that this plant will cut the cost of C-13 to about \$40 a gram.

The latter plant will use the chemical isotope exchange principle. The plan is to have this plant concentrate C-13 up to about 12%, then to use the thermal diffusion plants to increase the concentration to perhaps 80%.

• **Exchange Principle**—The isotope exchange principle is exemplified by the



CALIFORNIA, HERE WE COME AGAIN

California-bound, a ten-truck caravan with the worldly goods of 51 families pulls out of wintry Detroit. The mover, E. H. Warren, reports that it's a real exodus—mostly of persons looking for a comfortable place to retire. One truck holds the effects of from two to eight families, makes the round trip in 30 days at a moving cost of about 11¢ a lb. The company picks up some return "movees" despite warnings that there's still a housing jam in Detroit.

that carbon dioxide in solution in a bottle of pop contains more C-13 than does the carbon dioxide in the unopened neck of the bottle. In thermal analysis, a heated wire run through a cylindrical container produces a temperature differential of several hundred degrees, and the heavy isotopes concentrate near the cool outer wall of the tube. These processes must be repeated several hundred times to obtain desired concentrations of C-13.

Several important fundamental discoveries have already resulted from intensive research with C-13.

Breakdown of Fats—Scientists have determined how fats are broken down in an animal organism to create the energy necessary to carry on the life process. They also have discovered that animals as well as plants utilize carbon dioxide, whereas it had always been held that carbon dioxide was a raw material for plant growth, while a raw product of animal metabolism.

Other oil companies of the nation will join the goodwill venture by contributing to one or more phases of this new research. Most of the 30-odd mass spectrometers in this country are owned by government concerns and oil research organizations, which use them regularly in petroleum analyses. Many have already agreed to make the expensive instruments available to institutions that are working on biochemical research with C-13.

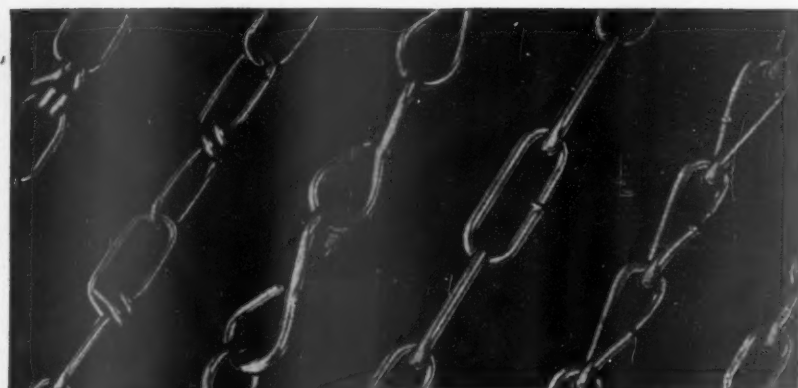
Sugar Diplomacy

How much of Cuba's '46 crop will be made available to the U. S. is still in dispute. Price of 367½¢ a lb. is agreed on.

Housewives trying unsuccessfully to cash their newly validated sugar coupons will find no immediate consolation in this week's report that the Cuban sugar crop in 1946 may set a 15-year high of 5,000,000 tons. Conservative estimates place output near the 1944 level, just above 4,700,000 tons.

How Much for U. S.?—Annual dickering between the Commodity Credit Corp. and the Cuban Sugar Institute has reached agreement on price (up from the 1945 figure of 3.10¢ a lb. to 3.67½¢ a lb.) but not on quantities which will be available to the United States market.

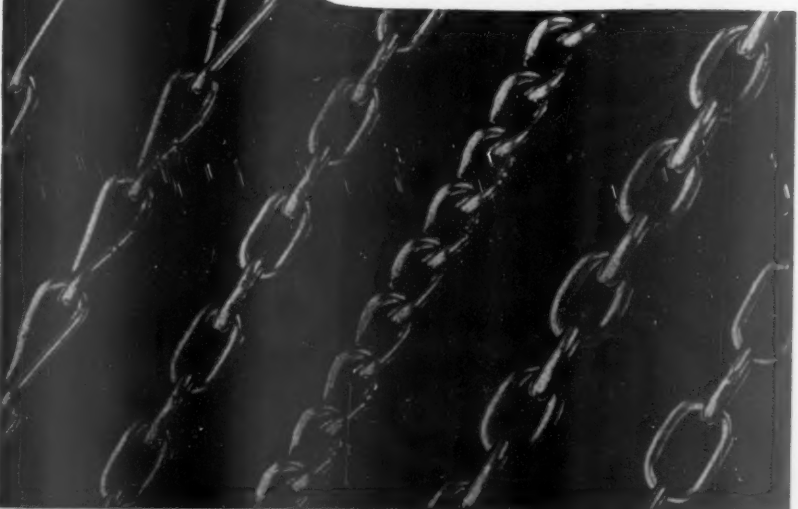
Last week Cuban mill owners met to set policy and came up with two recommendations which will meet stiff U. S. opposition: (1) that 392,000 tons be set aside for local consumption "and for export of products containing sugar";



Chain

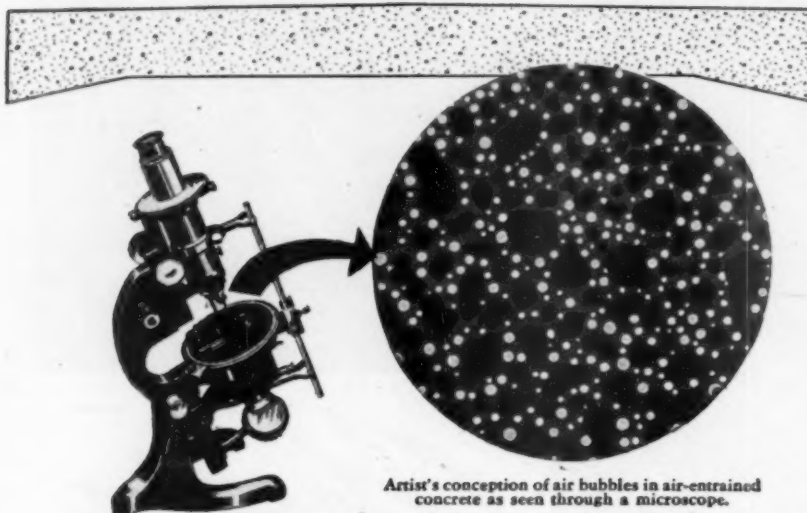
FOR EVERY NEED!

International makes chain for every need: industrial, marine, farm, automotive. What's more, our manufacturing and service facilities are complete in every detail, and our engineers are ready to help solve any unusual chain problems.



INTERNATIONAL CHAIN & MFG. CO.
YORK PENNA.

The
CAMPBELL
Line



Artist's conception of air bubbles in air-entrained concrete as seen through a microscope.

AIR BUBBLES IN CONCRETE

Millions of minute, disconnected air bubbles trapped in concrete by using a new product,

AIR-ENTRAINING PORTLAND CEMENT

is the answer of research to the problem of concrete pavement scaling.

The repeated use of concentrated calcium chloride and common salt to melt ice and snow on main traveled highways and streets, (a relatively new and largely wartime expedient), has caused unsightly scaling of well-constructed concrete pavements. Impaired riding qualities and increased maintenance have often resulted.

To conserve the public's investment in *existing* concrete pavements, the *careless* use of such concentrated chemicals should be avoided. If chloride salts are to be used for ice control, the pavements should receive a protective treatment *developed by research* and the chemicals should be used *intelligently and sparingly*.

For *future pavements*, the protection should be *built into the concrete* by using

AIR-ENTRAINING PORTLAND CEMENT

Send for bulletins, "The Elimination of Pavement Scaling by Use of Air-Entraining Portland Cement," and "Protection of Existing Concrete Pavements from Salt and Calcium Chloride." Free in United States and Canada.

PORTLAND CEMENT ASSOCIATION

Dept. 1c-12, 33 W. Grand Ave., Chicago 10, Illinois

A national organization to improve and extend the uses of concrete . . . through scientific research and engineering field work



Accessories Limited

Automobile accessories are harder to get than new automobiles. Many buyers of 1946 models will be driving throughout the winter without heaters, and other customary "extras" are equally invisible now.

The scarcity of heaters stems back to the shortage of tin, which in turn affected the availability of solder, made soft soldering of heater cores almost impossible and so dealt a severe blow to production. No relief of consequences is expected soon.

• Car radios are scarce, too, because small parts aren't available. This situation is now being relieved, and automobile sets will begin to be in evidence by spring maybe earlier.

Seat covers, the other member of the accessory big three, are equally hard to get, but the reasons vary from day to day. A few weeks ago one of the big producers halted because of inability to get imitation leather trim. He located a source and began production, only to find himself unable to obtain additional cloth.

• Spot lights and fog lamps are a more cheering note. Although none too plentiful as yet, the supply appears to be sufficient to meet requirements of new car buyers. Smaller accessories, like bumper-end guards, are similarly available.

(2) that 224,000 tons be reserved for export to countries other than the United States.

• **War-Developed Industry**—During the war, Cuba pushed candy exports from an insignificant million-pound rate to 40 million pounds in 1944 (BW-July 14'45, p114)—some of it going to U. S. candy-makers for melting and resale.

War Food Administration is trying to stop this diversion by barring import of candy from sugar-producing countries and, with U. S. sugar interests, will fight any increase in Cuban set-aside for the purpose. Likewise, U. S. refiners will resist Cuban incursion into their traditional markets with the proposed export set-aside.

• **Prospect**—Regardless of the outcome of this squabble, the United States should get at least 500,000 tons more sugar this year than last—and if Cuban output reaches 5,000,000 tons with a marked increase in local set-asides, the U. S. might get as much as 950,000 tons more than in 1945.



DARE YOU

Stop the Clock?

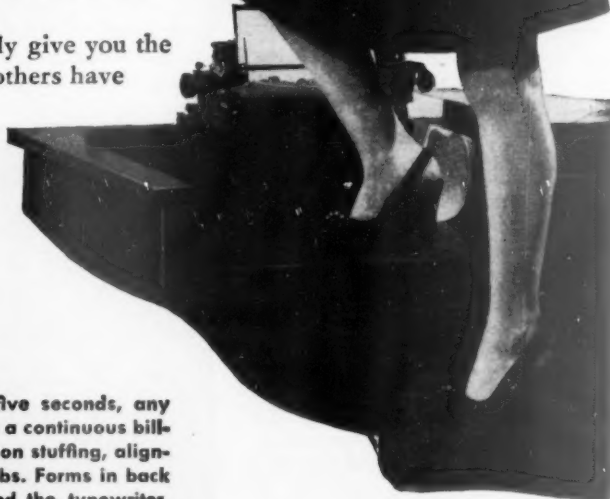
Stopping the clock—it just won't work! But there is a way to see that your employees are able to get work out on time. Use forms that eliminate time-consuming, routine work—Uarco forms.

Why Uarco? Because Uarco provides your typists with forms ready for the typewriter. Forms with carbons inserted, already aligned—that eliminate wasteful getting-ready-to-type operations.

No matter what type of records you keep, look to Uarco. There are scientifically designed Uarco forms for every business record-keeping method. Forms that speed the flow of work, save time and cut operating and departmental costs.

Call your Uarco representative today. He'll gladly give you the whole story along with concrete examples of how others have saved with Uarco . . . or write us.

UNITED AUTOGRAPHIC REGISTER COMPANY
Chicago, Cleveland, Oakland • *Offices in All Principal Cities*



For instance...

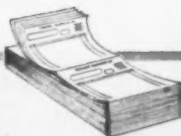
UARCO Speed-O-Form. In five seconds, any standard typewriter becomes a continuous billing machine. Eliminates carbon stuffing, alignment and like time-taking jobs. Forms in back of machine continuously feed the typewriter, and a dozen or more clear copies can be made at once. Write for full details.



AUTOGRAPHIC REGISTERS



SINGLE SET
FORMS



CONTINUOUS-STRIP FORMS FOR
HANDWRITTEN TYPEWRITTEN - BUSINESS MACHINE RECORDS



UARCO

BETTER BUSINESS FORMS

Old Cabs Must Do

New taxis won't be off production lines for some time, but operating companies are making most of what they have.

New York hackers swarmed this week for a view of the first postwar taxicab. It was Packard's offering. The hackers liked the cab—but the police weren't so sure. They questioned the design, largely because the two forward passengers ride beside the plexiglass compartment of the driver. New York says that all five passengers must sit behind the driver. While Packard awaits a final New York decision, it can sell its cabs in cities that aren't so particular.

Though all its war restrictions are off, the once-rollicking taxicab industry looks like a man who has been in a strait-jacket so long that his limbs retain the fixed position. It will be months before new cars can retire the rambling wrecks that stagger widely through our avenues. It will be perhaps two years before all the war wearies will make their overdue trips to the junk heap.

• **Retarding Factors**—Principal reason for the delay is the automotive strike situation. The Checker Cab is an assembled job, and the tie-up of parts plants inevitably defers production. Moreover, Checker has a difficult reconversion problem. De Soto and Packard are similarly hampered by strikebound supplies. And these last two can't be expected to sidetrack the vast passenger car demand for the benefit of a comparatively small cab market.

Checker and De Soto have not unveiled their new taxi models. One reason is that they don't want to aggravate the ravenous buyers. Guess is that new cabs will start off the lines in March or April, depending on the settlement of labor disputes.

• **Metropolis Dispirited**—New York City is especially depressed by the prospects because it is particularly cab-minded, having about 20% of the nation's total. The metropolis has been pampered by getting the best first. Its citizens are more than a little irked by lumpy seats, cracked windows that let in the winter breeze, rattles that drown out the monologue of the philosopher at the wheel.

A spark of hope appeared in November when James F. Waters, Inc., metropolitan distributors of the De Soto cabs, announced that it had begun fitting 5,000 new chassis with taxi bodies. Last week the spark flickered out when the company admitted that the cab situation was "beyond our control" and refused

to make further promises because of the confusion in Detroit.

• **Police Requirements**—Such conversion jobs must meet the hard-boiled regulations of the New York police. One requirement is for a grill in the rear compartment to discourage transport of murdered bodies by the gangster trade. Less romantic rules keep passengers from riding up front and provide seats for five fares at a time.

The five-person provision balked a recent attempt by an association of independent car operators to introduce an emergency model on regular passenger car chassis; the seven-passenger type was found to be the only one that had a chance of the police O.K.

In cities where regulations permit the adaptation of standard autos to taxicab use, the operator is confronted with a greatly increased cost of conversion. For example, he has to take whatever paint job is available, which usually means that he has to stand the cost of an entire job instead of a partial repainting. Other necessary changes usually run to \$100 or so.

• **On Borrowed Time**—New York now has 9,587 cabs (about one-third of the 1928 peak) out of a national total of 50,000. There have been no new taxis in five years, which means that the survivors have done around 250,000 miles compared to the 100,000 miles which mark the limit of profitable operation in normal times. While many of these show all the infirmities of long service, the big operators (such as Parmelee and Terminal) have proper up-keep facilities

which enable them to keep their hicles as presentable as possible.

The number of cabs in New York shows a slight rise over a year because the police are allowing discharged servicemen to resume cab operation.

• **War Record**—The industry is proud of the war record it made in spite of the dwindling number of cabs and the deterioration of equipment. From 1940 to 1944, the number of passengers carried by the nation's taxis rose from 966,721,000 to 1,616,029,000. During the same period miles traveled jumped from 2,191,790,000 to 3,193,709,000. More spectacularly, gross revenue rose from \$247,117,000 to \$585,970,000.

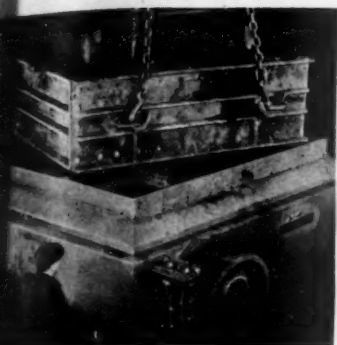
Though New York police forbid sharing taxis with strangers, both drivers and owners have prospered. A hacker who once was satisfied with \$35 a week now makes up to \$50.

• **The Parmelee Performance**—Parmelee Transportation Co. operates large fleets of cabs in New York, Chicago, Minneapolis, Pittsburgh. In December, 1944, the books showed an accumulated deficit of \$4,432,000. Subsequent profits have reduced this by large chunks. Earnings for the first nine months of 1945 were \$922,221, with an indication that the total for the year would reach \$1,229,900. This would just wipe out what is left of the deficit.

Parmelee is a subsidiary of the Checker Cab Mfg. Co. Comments on their hearty condition have started the usual rumors in the stock markets. The Wall Street Journal noted last week that



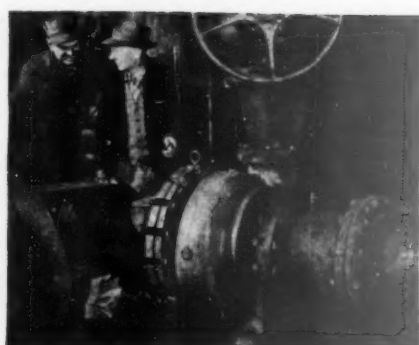
Described as the "first postwar taxi," Packard's offering (above) drew the public as well as cabbies when it was unveiled this week on Broadway by Robert King (right), president of Packard Federal Corp., New York representative for Packard cabs. The short-wheelbase cab is fitted with a folding front seat instead of single "jump" seats for extra fares, has a glass-like enclosure for the driver. Passengers may enter through three doors, the two rear and the right front. Packard reports expectations of New York deliveries within the next two months—if the police give their approval.



In foundries, new A-C "Foundromatic" Shakeouts free huge castings in one-tenth the time old methods take . . . save space, power, costs. One unit handles 90% of tonnage cast in average jobbing foundry!



4 Today, when all U. S. wants new cars—homes—clothes—appliances—manufacturers rely on A-C machinery for help in producing them. We make the largest line of major industrial equipment in the world!



5 Until recently pumping solids was a headache. Pumps broke down . . . costs rose. This prompted A-C to build a low-cost Solids-Handling pump that has cut "down-time" up to 400%—effected big power savings.



There's no substitute for experience. We've built hydraulic turbines for Grand Coulee (above), valves and pumps for the "Big Inch" oil pipeline; generators, rectifiers, motors and switchgear of every description.



7 Turn on the power for faster, cheaper peacetime production! Whether you're a steelman, lumberman, ship-builder or processor—you can find the right engineering answers to equipment problems at A-C.



8 Constant, painstaking research insures the workmanship and integrity of every product stamped A-C. Put our engineered equipment to work boosting efficiency in your plant. Call your nearby A-C office!

Allis-Chalmers Manufacturing Company, Milwaukee 1, Wis.

WE'LL HELP WITH YOUR "HEADACHES"—

With the broadest range of practical experience in the world, Allis-Chalmers is ready to aid in solving equipment problems in almost every field!

ALLIS-CHALMERS

PRODUCER OF THE WORLD'S LARGEST
LINE OF MAJOR INDUSTRIAL EQUIPMENT



Tune in the BOSTON SYMPHONY
Every Saturday over the
American Broadcasting Company
Coast-to-Coast, 9:30 P. M., E. S. T.

there were reports of impending stock splits and recapitalization.

• **What to Look For**—While the details of 1946 taxi design other than Packard's are withheld, chances are they will follow established principles. The manufacturer must sell looks and economical performance. Regular cab makers have burned their fingers on lighter, smaller cars that got a lot from a gallon of gas. Operators found that resentment of uncomfortable riders and inability of the lightweight cabs to take the hard daily grind outweighed other factors.

Hence you can look for roomy interiors and solid jobs which will perhaps employ aluminum for lighter weight.

• **For Driver's Eye**—As to exterior, the new cabs will also be in the taxi tradition. Sensitive souls who have suffered from the garish complexion, extravagant grillwork, multicolored lights, and the general screaming bad taste of some current editions just do not realize what it is all about. They should understand that cabs are designed not so much to suit the eye of the passenger as to attract drivers. Operators want a cab that a seasoned hacker will be proud to pilot.

Two-way radio communication will be used by many operating companies. Tests by Cab Research Bureau, Inc., an agency of the National Assn. of Taxicab Owners, point to a substantial reduction of dead mileage as a result.

Checker, De Soto, and Packard don't expect much competition from outsiders. Airplane manufacturers have taken a look at the market, and it is known that Kaiser-Frazer has glanced that way. Indications are that both backed out fast as soon as they had time to study the statistics.

• **Prospect**—While the nation's entire 50,000 cabs need replacement, the demand will spread over some years. Thereafter it will settle down to a mere 10,000 to 12,000 annually. Compared to the potential harvest in the passenger car field, these are small potatoes indeed.

Housewares Back

Annual show has generous displays, but quota selling is still the rule. New versions of old lines predominate.

No postwar dream-world of supergadgets and appliances made its bow at the annual Chicago Housewares Show which opened Dec. 31 at the Palmer House. Instead, the record-breaking 5,000 buyers in attendance, all avid for merchandise to fill their retail store shelves stripped by Christmas shoppers, found mostly improved versions of prewar appliances from old manufacturers, few new lines from new entrants in the field.

• **Quota Selling Mostly**—In contrast to last year's show, which barely filled the big exhibit hall on the Palmer House fourth floor, this year's 491 exhibitors spread generous displays of samples over five floors of the big hotel.

But to the buyers, who jammed the hotel elevators in an atmosphere reminiscent of a political convention, the big question was "when." Quota selling was still the rule, though a few manufacturers were taking unlimited orders. Delivery promises were for 60 or 90 days and even six months away.

Over even these promises hung the threat of the steel and electrical strikes.

• **Full Displays**—Major appliances had their largest show in the exhibition hall. Complete lines of washing machines, ironers, vacuum cleaners, kitchen cabinets, and full kitchen arrangements, gas and electric ranges and stoves were on display there.

No new refrigerators were in evidence, but one home freezer maker, George D. Roper Corp. of Rockford, Ill., took up the largest display space on the floor.

New in the washer and ironer line was the Morton Appliance Co. Benton with a new ironer in addition to its best model home washer, A-B-C-o-Matic Hurley's Automagic combination washer-washing machine (BW—Nov. '45, p80); Conlon Corp.'s line; and others attracted buyers' eyes and orders. All the major vacuum cleaner and steam companies were represented with new displays.

• **But Few Surprises**—Small appliances, kitchen utensils, bathroom fixtures, and miscellaneous gadgets offered few surprises. Models were largely prewar designs which manufacturers could produce quickly without re-tooling. Among the kitchen utensils, the new pressure cooker for quick-cooking fresh vegetables and meats was getting a place, though few makers could promise deliveries soon.

Shipments of enamel ware, stainless steel, small appliances, cutlery, and other items were not expected to improve before the last half of 1946 without further labor difficulties.

The supergadget age was still far in the future, and retailers were in for another six months of hand-to-mouth supplies when the show closed.

Road Truce Ends

Strife between the state over levies and restraints on trucking hits its old tempo, and early reforms are unlikely.

The perpetual warfare between truck operators and state legislatures, which may or may not be influenced by railroad lobbies, has flared up again after a truce that military and transportation demands forced upon them (BW—Aug. 21'43, p34).

• **Levy Reimposed**—On Jan. 1, Virginia's governor, Colgate W. Darden Jr., reimposed the state's 2% gross receipts tax on out-of-state truckmen. North Carolina immediately lashed back with a demand that Virginia truckers buy a contract-hauler license or pay a 6% gross receipts tax. Ohio joined the fray by forcing out-of-state trucks to pay public utility fees, as of Dec. 15, and the District of Columbia threatened Virginia with such a host of requirements that few Virginia carriers would dare to cross the Potomac.

But reciprocal tax skirmishes are only a part of the over-all struggle that probably will never cease entirely between groups with as divergent interests as revenue-hungry states, highway builders with a budget, passenger auto associations, railways, air freight services, and

Strike Threats Affect Appliance Estimates

Output of major electrical appliances during 1946 has been estimated by Electrical Merchandising, a McGraw-Hill publication, on the basis of a survey of leading manufacturers. Salient statistics, as reported

in the January issue of that publication, are shown below, together with actual 1945 sales figures. The wide spread between maximum and minimum figures is due to the unpredictable effects of future strikes.

Appliance	1945 Sales	1946 Production
Radios	250,000	12,000,000—20,000,000
Refrigerators	263,860	3,200,000—4,000,000
Vacuum cleaners	258,000	2,000,000—2,500,000
Washers	251,000	2,000,000—3,000,000
Ironers	30,000	225,000—1,000,000
Home freezers .....	.....	500,000

3,000,000 owners of some 4,600,000 trucks.

Wartime Relaxation—Fairly liberal regulations agreed to during the war lowered the walls between states by making the loads permissible on trucks, by increasing allowable width, height, and length of both trucks and trailers.

New regulations aiming at standardization, which may never be wholly achieved because of the complexity of the problems, are now in order. To attempt them, the highway transport committee of the American Assn. of State Highway Officials will present its plan for sizes and weights of vehicles at the Oklahoma City meeting of its executives on Jan. 29. Chairman of the committee is H. S. Fairbanks, deputy commissioner of the Public Roads Administration.

Delays Inevitable—No immediate change is foreseen, because the plan will have to be voted on by the 48 state members of the association, and 41 legislatures are not slated to convene until 1947. Twenty-five states attempted revisions in 1945, but only a dozen succeeded. The most drastic limits are in Kentucky. The war emergency regulations, which were considered fairly liberal to truckmen, allowed trucks 8 ft. wide, 35 ft. long, and 12½ ft. high in all states.

WAGE TAX BARGAIN

One of the problems of Philadelphia financial officers has been the collection of the city's budget-balancing 1% wage tax from residents employed by firms located outside city limits (BW—Sep. 1745,p21).

Last week the city council offered these delinquents a bargain by passing an ordinance to forget the interest and penalties on unpaid levies on compensation earned after Jan. 1, 1940, the date the tax originated, provided the principal is paid in full on or before Feb. 15.

There was no immediate rush of payments, however, for those involved recognized the measure as one of desperation, likely to attract only a few. The city still had no way of enforcing payment of an estimated arrearage of \$3 million, exclusive of the statutory 6% interest, plus an 0.5% penalty for each month for the first six months of nonpayment.

Companies within city limits are obliged to deduct the tax from the pay of workers. Collections during 1945 exceeded \$22 million, nearly 25% of the city's annual budget estimate and more than 50% of the year's real estate taxes, the greatest single source of revenue for the city.

ACME ALUMINUM ALLOY CASTINGS



No longer need a product go to market with the handicap of excess poundage. For Acme Castings of third-the-weight aluminum alloy are made to meet—and they often exceed—the most demanding requirements. No longer need many a product possess less than aluminum's numerous other advantages.

Acme metallurgists prescribe the alloy exactly suited to the job—*build in* the properties that provide exceptional basic strengths. Acme engineers develop every economic advantage—refine for stability and structural strength, and simplify for faster machining and finishing.

When you design or redesign, let Acme prepare your product for its maximum success . . . make it a "standout" in its market. An Acme engineering analysis of your problem will be made without obligation.

13 REASONS FOR ALUMINUM!

Aluminum . . . two-thirds lighter in weight, is also—highly corrosion resistant—easier to machine—has exceptional alloyed strength . . . is formable into intricate shapes—highly conductive for heat and electricity—highly reflective for light and radiant heat—non-toxic—non-sparking and non-magnetic—rich in appearance—easier to handle . . . costs less to transport . . . has high scrap and reversion value.



ACME ALUMINUM ALLOYS, INC.

DAYTON 3, OHIO

Patterns • Tools • Aluminum, Brass, Bronze Castings • Engineering

New York: F. G. Diffin Co., 111 Broadway

Chicago: Metal Parts & Equipment Co., 2400 W. Madison St., St. Louis: Metal Parts & Equipment Co., 3615 Olive St.

there were reports of impending stock splits and recapitalization.

• **What to Look For**—While the details of 1946 taxi design other than Packard's are withheld, chances are they will follow established principles. The manufacturer must sell looks and economical performance. Regular cab makers have burned their fingers on lighter, smaller cars that got a lot from a gallon of gas. Operators found that resentment of uncomfortable riders and inability of the lightweight cabs to take the hard daily grind outweighed other factors.

Hence you can look for roomy interiors and solid jobs which will perhaps employ aluminum for lighter weight.

• **For Driver's Eye**—As to exterior, the new cabs will also be in the taxi tradition. Sensitive souls who have suffered from the garish complexion, extravagant grillwork, multicolored lights, and the general screaming bad taste of some current editions just do not realize what it is all about. They should understand that cabs are designed not so much to suit the eye of the passenger as to attract drivers. Operators want a cab that a seasoned hacker will be proud to pilot.

Two-way radio communication will be used by many operating companies. Tests by Cab Research Bureau, Inc., an agency of the National Assn. of Taxicab Owners, point to a substantial reduction of dead mileage as a result.

Checker, De Soto, and Packard don't expect much competition from outsiders. Airplane manufacturers have taken a look at the market, and it is known that Kaiser-Frazer has glanced that way. Indications are that both backed out fast as soon as they had time to study the statistics.

• **Prospect**—While the nation's entire 50,000 cabs need replacement, the demand will spread over some years. Thereafter it will settle down to a mere 10,000 to 12,000 annually. Compared to the potential harvest in the passenger car field, these are small potatoes indeed.

Housewares Back

Annual show has generous displays, but quota selling is still the rule. New versions of old lines predominate.

No postwar dream-world of supergadgets and appliances made its bow at the annual Chicago Housewares Show which opened Dec. 31 at the Palmer House. Instead, the record-breaking 5,000 buyers in attendance, all avid for merchandise to fill their retail store shelves stripped by Christmas shoppers, found mostly improved versions of pre-war appliances from old manufacturers, few new lines from new entrants in the field.

• **Quota Selling Mostly**—In contrast to last year's show, which barely filled the big exhibit hall on the Palmer House fourth floor, this year's 491 exhibitors spread generous displays of samples over five floors of the big hotel.

But to the buyers, who jammed the hotel elevators in an atmosphere reminiscent of a political convention, the big question was "when." Quota selling was still the rule, though a few manufacturers were taking unlimited orders. Delivery promises were for 60 or 90 days and even six months away.

Over even these promises hung the threat of the steel and electrical strikes.

• **Full Displays**—Major appliances had their largest show in the exhibition hall. Complete lines of washing machines, ironers, vacuum cleaners, kitchen cabinets, and full kitchen arrangements, gas and electric ranges and stoves were on display there.

No new refrigerators were in evidence, but one home freezer maker, George D. Roper Corp. of Rockford, Ill., took up the largest display space on the floor.

New in the washer and ironer section was the Morton Appliance Co. Bend with a new ironer in addition to its new est model home washer, A-B-C-o-Matic Hurley's Automagic combination dishwasher-washing machine (BW—Nov. '45, p80); Conlon Corp.'s line; and others attracted buyers' eyes and orders. All the major vacuum cleaner and stove companies were represented with major displays.

• **But Few Surprises**—Small appliances, kitchen utensils, bathroom fixtures, and miscellaneous gadgets offered few surprises. Models were largely pre-war designs which manufacturers could produce quickly without re-tooling. Among the kitchen utensils, the new pressure cooker for quick-cooking fresh vegetables and meats was getting a play, though few makers could promise deliveries soon.

Shipments of enamel ware, stainless steel, small appliances, cutlery, and other items were not expected to improve before the last half of 1946 even without further labor difficulties.

The supergadget age was still far in the future, and retailers were in for another six months of hand-to-mouth supplies when the show closed.

Road Truce Ends

Strife between the states over levies and restraints on trucking hits its old tempo, and early reforms are unlikely.

The perpetual warfare between truck operators and state legislatures, who may or may not be influenced by railroad lobbies, has flared up again after a truce that military and transportation demands forced upon them (BW—Aug. 21'43, p34).

• **Levy Reimposed**—On Jan. 1, Virginia's governor, Colgate W. Darden, Jr., reimposed the state's 2% gross receipts tax on out-of-state truckmen. North Carolina immediately lashed back with a demand that Virginia trucks buy a contract-hauler license or pay a 6% gross receipts tax. Ohio joined the fray by forcing out-of-state trucks to pay public utility fees, as of Dec. 15, and the District of Columbia threatened Virginia with such a host of requirements that few Virginia carriers would dare to cross the Potomac.

But reciprocal tax skirmishes are only a part of the over-all struggle that probably will never cease entirely between groups with as divergent interests as revenue-hungry states, highway builders with a budget, passenger auto associations, railways, air freight services, and

3,000,000
Wartime
ulations
wered the
ping the
d by in
ight, and
ses.
New reg
ation, wh
chieved be
e problem
empt the
nmittee
ate High
an for si
the Okla
xecutives
committee
mission
istration
Delays
ace is fo
ve to be
members
legislatures
til 1947
visions in
eded. T
Kentucky.
ens, whi
al to tru
ide, 35
l states.
WAGE
One of
financial
of the cit
x from
reated o
5'45, p21
Last w
ese del
an ordina
enalties
ation ea
state the
principal
next Feb
There
nents, h
gnized
ion, lik
ity still
nent o
\$3 milli
% inte
ach mo
onpaym
Comp
bliged
of work
eeded
city's ar
than 50
the grea
the city
BUSINES

Strike Threats Affect Appliance Estimates

Output of major electrical appliances during 1946 has been estimated by Electrical Merchandising, a McGraw-Hill publication, on the basis of a survey of leading manufacturers. Salient statistics, as reported

in the January issue of that publication, are shown below, together with actual 1945 sales figures. The wide spread between maximum and minimum figures is due to the unpredictable effects of future strikes.

Appliance	1945 Sales	1946 Production
Radios	250,000	12,000,000—20,000,000
Refrigerators	263,860	3,200,000—4,000,000
Vacuum cleaners	258,000	2,000,000—2,500,000
Washers	251,000	2,000,000—3,000,000
Ironers	30,000	225,000—1,000,000
Home freezers .....	.....	500,000

3,000,000 owners of some 4,600,000 trucks.

Wartime Relaxation—Fairly liberal regulations agreed to during the war lowered the walls between states by making the loads permissible on trucks, and by increasing allowable width, height, and length of both trucks and trailers.

New regulations aiming at standardization, which may never be wholly achieved because of the complexity of the problems, are now in order. To attempt them, the highway transport committee of the American Assn. of State Highway Officials will present its plan for sizes and weights of vehicles at the Oklahoma City meeting of its executives on Jan. 29. Chairman of the committee is H. S. Fairbanks, deputy commissioner of the Public Roads Administration.

Delays Inevitable—No immediate release is foreseen, because the plan will have to be voted on by the 48 state members of the association, and 41 legislatures are not slated to convene until 1947. Twenty-five states attempted revisions in 1945, but only a dozen succeeded. The most drastic limits are in Kentucky. The war emergency regulations, which were considered fairly liberal to truckmen, allowed trucks 8 ft. wide, 35 ft. long, and 12½ ft. high in all states.

WAGE TAX BARGAIN

One of the problems of Philadelphia financial officers has been the collection of the city's budget-balancing 1% wage tax from residents employed by firms located outside city limits (BW—Sep. 5, 1945, p. 21).

Last week the city council offered these delinquents a bargain by passing an ordinance to forget the interest and penalties on unpaid levies on compensation earned after Jan. 1, 1940, the date the tax originated, provided the principal is paid in full on or before next Feb. 15.

There was no immediate rush of payments, however, for those involved recognized the measure as one of desperation, likely to attract only a few. The city still had no way of enforcing payment of an estimated arrearage of \$8 million, exclusive of the statutory 6% interest, plus an 0.5% penalty for each month for the first six months of nonpayment.

Companies within city limits are obliged to deduct the tax from the pay of workers. Collections during 1945 exceeded \$22 million, nearly 25% of the city's annual budget estimate and more than 50% of the year's real estate taxes, the greatest single source of revenue for the city.

ACME

ALUMINUM ALLOY CASTINGS

HOW TO MAKE YOUR PRODUCT
A STANDOUT IN THE MARKET



No longer need a product go to market with the handicap of excess poundage. For Acme Castings of third-the-weight aluminum alloy are made to meet—and they often exceed—the most demanding requirements. No longer need many a product possess less than aluminum's numerous other advantages.

Acme metallurgists prescribe the alloy exactly suited to the job—build in the properties that provide exceptional basic strengths. Acme engineers develop every economic advantage — refine for stability and structural strength, and simplify for faster machining and finishing.

When you design or redesign, let Acme prepare your product for its maximum success . . . make it a "standout" in its market. An Acme engineering analysis of your problem will be made without obligation.

13 REASONS FOR ALUMINUM!

Aluminum . . . two-thirds lighter in weight, is also—
—highly corrosion resistant
—easier to machine—has exceptional alloyed strength . . . is formable into intricate shapes — highly conductive for heat and electricity—highly resistant for light and radiant heat — non-toxic — non-sparking and non-magnetic—rich in appearance—easier to handle . . . costs less to transport . . . has high scrap and reconditioning value.



ACME ALUMINUM ALLOYS, INC.

DAYTON 3, OHIO

Patterns • Tools • Aluminum, Brass, Bronze Castings • Engineering

New York: F. G. Diffin Co., 111 Broadway

Chicago: Metal Parts & Equipment Co., 2400 W. Madison St., St. Louis: Metal Parts & Equipment Co., 3615 Olive St.

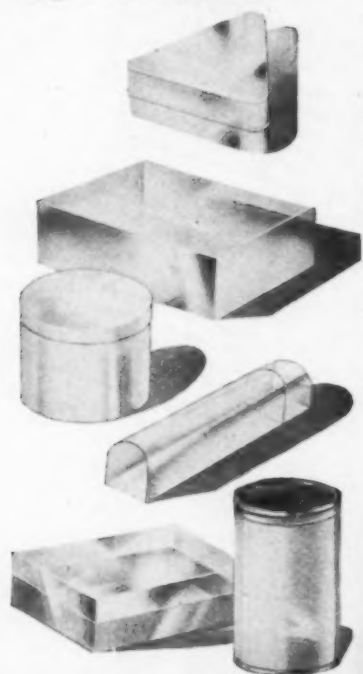


**He'll be glad
to introduce you**

... to a complete line of set-up boxes in strong, transparent acetate-material.

Kellogg designers are ready to help you emphasize the beauty of your product, protect its cleanliness, insure its freshness and charm, enhance its sales value. Let us tell you about the infinite possibilities of transparent acetate material. The public likes it ... and you'll like its sales appeal when fashioned by Kellogg.

UNITED STATES ENVELOPE COMPANY
14 Divisions from Coast to Coast



U.S.E

PROTECTIVE PACKAGING



U. S. Speaks Up

State Dept. plans global information service to sell our policies and principles to the peoples of the world.

The United States is about to launch an unprecedented peacetime international information service, as an adjunct of the State Dept., for which Congress will be asked to appropriate between \$25 million and \$50 million annually.

• **To Avoid Competition**—Retaining only a skeleton of the wartime staff, the State will employ 2,650 persons, at least 520 of them stationed abroad, to sell U. S. policies and principles to the peoples of the world.

In all of its activities, the State Dept. asserts, there will be conscious avoidance of competition with private interests engaged in overseas information services—and the State Dept. has no doubt about the job of coordinating its activities so they may not impinge on the commercial operations of shortwave broadcasters, motion picture distributors, and news services.

The job of converting the government's wartime international informational and cultural activities to a peacetime basis was handed to the State Dept. after V-J Day, and Congress will be asked to approve new plans this month.

• **Had Big Wartime Job**—During the war, the Office of War Information and the Office of Inter-American Affairs engaged in unprecedented overseas activities, interpreting the United States' war effort to foreign people and expediting the exchange of technical and cultural information within the Western Hemisphere.

With the end of the war, both OWI and OIAA were placed under the State Dept. wing—for liquidation or amalgamation in the newly conceived International Information Service. Assistant Secretary of State William Benton was appointed to plan this new government activity in line with the greatly expanded international role to which the United States is now committed.

The legal plan of operation is drawn in H. R. 4368, sponsored by Rep. Sol Bloom (D., N. Y.), a bill "to extend and broaden the existing programs for the interchange of persons, knowledge, and skills between the people of the United States and the peoples of other countries."

• **Self-Promotion Campaign**—Last week the implications of the bill were ably

79 PARTS

HARDENED BY THIS "ONE MAN
HEAT-TREATING DEPARTMENT"

THE COOPER-BESSEMER CORP., renowned build-
ers of top-quality engines and compressors for
naval and peacetime equipment, is discovering
how to reap the benefits of TOCCO Induction
Hardening to the fullest extent. Its progressive
engineers have scheduled 158 different parts for
this versatile "one-man heat-treating department";
79 of which are already TOCCO-hardened. Highlights of these operations
are pictured above. Highlights of these operations:
Size of parts vary from 1/2 oz. set screws to
186-lb. cross-head pins.
Materials include SAE 52100, SAE 4015, SAE
1117, SAE 1045, NE 8620 and Mechanite Metals.
Typical time savings: Formerly hardened 100

large wrist pins in 13.5 hrs.;
hardened 100 in 3.5 hrs.—saving
Push rod buttons formerly
15 seconds. They're now
valves and other parts
Typical production
hardens 1800 pieces
ent set-ups.
Other benefits:
eliminates straightening;
eliminates grinding. The
affords favorable
Our experience
in which TOCCO

THE OHIO CRANKSHAFT CO.
Cleveland, Ohio

Now **142** parts
TOCCO-HARDENED
by Cooper-Bessemer
on one Tocco Machine

186-LB. CROSS-
HEAD PIN...

... 1/2-OZ. SET SCREW

BOTH HARDENED
BY SAME TOCCO
MACHINE

... Many Hardened in 1/3 Former Time

THE above report on the TOCCO hardening
of 79 parts for Cooper-Bessemer engines and
compressors appeared in July, 1943. Since then,
the production of 63 more parts has been as-
signed to this versatile "one-man heat-treating
department."

These 142 parts range in size from 1/2 oz. set
screws to 186-lb. cross-head pins. Materials in-
clude SAE 52100, SAE 1050 modified, NE 8620,
Meehanite, as well as carburized low-carbon,

carbon and alloy steels. All are hardened on the
same TOCCO machine.

TOCCO cuts the hardening time of many of
these parts 75%; eliminates straightening; re-
duces machining and grinding; provides better
working conditions.

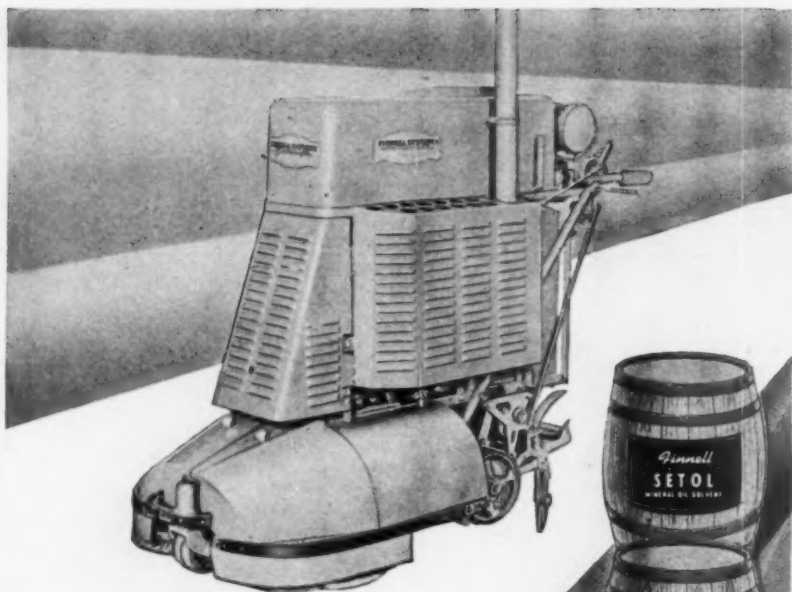
Find out how versatile, speedy TOCCO Induc-
tion Heating can improve *your* products, step up
your output and cut *your* costs. The 32-page
book, "Results with TOCCO," free on request.

THE OHIO CRANKSHAFT COMPANY • DEPT. W. • Cleveland 1, Ohio



TOCCO

INDUCTION
HARDENING, BRAZING
ANNEALING, HEATING



YOUR SCRUBBING MACHINE IS AS OLD AS ITS MILEAGE!

So don't waste the mileage of your machine by using slow-acting cleansers. They necessitate prolonged brush action . . . pile up mileage needlessly. Thus the importance of choosing cleansers that keep pace with the speed of machine-scrubbing. *Finnell Cleansers* do—and should—since they're specially compounded for the purpose. Their chemical action is instantaneous!

Finnell Cleansers are products of Finnell's own powder mill, and each serves specific needs. *Setol*: An oil emulsifier for use on mill and factory floors. *Finola*: A scouring powder for heavy duty scrubbing of smooth, hard surface floors and some wood floors. *Solar Soap Powder*: For use wherever a good soap powder is required. *Finnell Rubber Cleaner*: For all types of rubber flooring. *Century Scouring Powder*: A mild abrasive cleanser. *Asesco*: An oil emulsifier and water softener. Containers range from 5-lb. bags to 300-lb. barrels.

For consultation or literature, phone or write nearest *Finnell* branch or Finnell System, Inc., 3801 East Street, Elkhart, Indiana. Canadian Office: Ottawa, Ontario.



FINNELL SYSTEM, INC.

Pioneers and Specialists in
FLOOR-MAINTENANCE EQUIPMENT AND SUPPLIES

BRANCHES
IN ALL
PRINCIPAL
CITIES

spelled out by Benton. In broad terms, the Bloom bill dedicates the United States to an intensive self-promotion campaign to assure that American policies, methods, and way of life are understood and respected throughout the world. The informational setup will be supplemented by a program facilitating the exchange of individual experts and notables, and permitting the export of government aides to friendly nations seeking U. S. technical help.

Benton's program is not only smaller than the wartime colossus, it will in all likelihood be smaller in terms of expenditure and personnel than that of Great Britain. The only clear cost—until the actual budget is submitted for approval—is the interim estimate that the tapering-off period, which is to run through June 30, 1946, will take \$13 million.

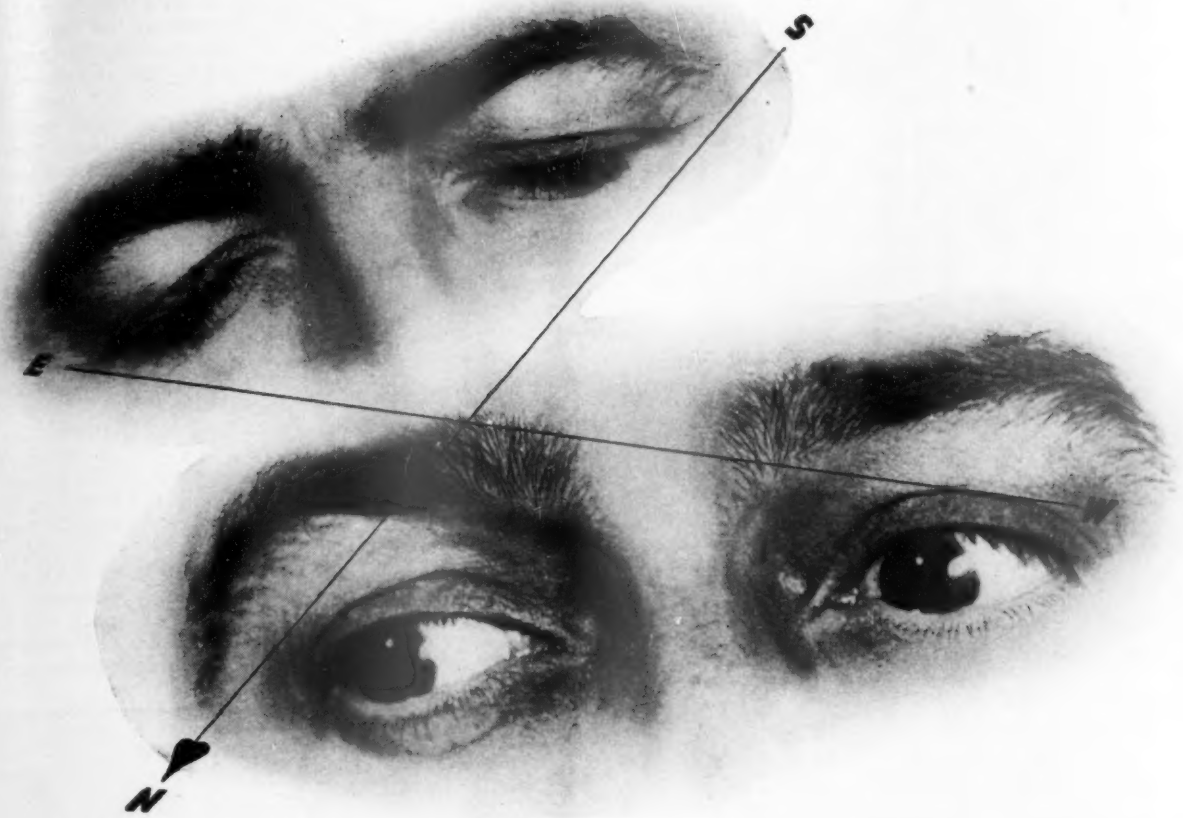
• **Exchange of Ideas**—The program outlined by Benton entails:

- (1) Exchange of students, scholars, and technicians—with the State Dept. coordinating activities in this field of 26 government divisions.
- (2) Maintaining and servicing of American information libraries in 60 countries.
- (3) Daily wireless bulletin, to provide diplomats abroad with texts of important official pronouncements.
- (4) Documentary service, to supply foreign missions by mail with background material on events in the U. S.
- (5) Preparation of photo exhibits and film strips for noncommercial exhibition abroad.
- (6) Continuation of the bimonthly picture magazine "America" in the Soviet Union, where privately published magazines are barred.
- (7) Acquiring, adapting, and scoring foreign languages, of newsreels and documentary films about the U. S. for exhibition abroad.
- (8) Maintenance of information staffs in 62 countries to provide information about the U. S. to local populations.
- (9) Operation, for a tentative period, of a world-blanketing shortwave radio system based on the elaborate war-built network.

• **Newsreel Program**—Benton has revealed that discussions with motion picture producers have resulted in their agreeing to supply without charge about \$100,000 worth of newsreels to be processed for foreign release by the State Dept. with the understanding that the producers may take over the service when they can do so profitably.

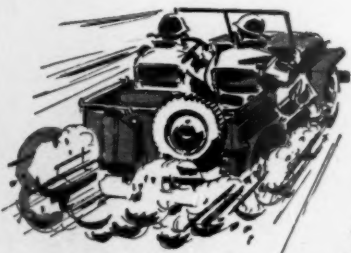
As a further evidence of his determination not to trample on private enterprise, Benton has talked to shortwave licensees with a view to elaborating a plan for government collaboration in worldwide broadcasts on a scale beyond the financial capabilities of the private operators until international shortwave becomes profitable.

road in
the Un
-prom
-rican
life are
ghout
ctup
am for
al exp
g the
o fric
al help
only to
ossus,
in ter
than
clew
t is
terim
f pen
30, 14
gram
olars,
ot. com
26 gov
of Am
countre
o prov
import
tpply
ound
ibits
exhibi
thly
e Sou
magazi
oring
nd do
or exhib
staffs
on abn
period,
to syste
network
has
ion pa
n the
e abou
to be
by the
standi
ver the
stably
deter
ate es
short
orating
tion b
le be
he pr
short



HOW TO MAKE A MAP

with 4 "Mathematical Eyes" and a Jeep!



Do it the way Yank jeeps did it in Italy, France and Germany, when they used this equipment to navigate straight to enemy objectives over night-hidden or unfamiliar highways and terrain.

They used this uncanny machine called an "odograph"

(measurer of distance travelled), which consists of three parts: Magnetic compass with electronic follower... plotting unit with map table, tracing pencil, and Veeder-Root Mileage Counters... and a power pack operating from storage batteries. This odograph can plot maps from any scale of 1:200,000 to 1:500,000.

Actuated by a beam of light projected into the compass bowl and reflected from a mirror at the center of the compass card, the Veeder-Root mileage counters indicate the distance travelled east and west or north and south of a given starting point. And when two of these "Mathematical Eyes" are counting the miles travelled, say, north-east... then the other two eyes are electronically shut and do not count at all. Yet a total is registered of miles travelled in any direction. So a set course can be checked... or an unmapped course can be mapped... by this eerie equipment which needs no information beyond its original bearing, and which can see through walls of steel

and dark of night. It always provides an accurate spot-location in land miles, in any direction, from the given starting point. *The map is plotted as you ride!* There are other features which had the Huns talking to themselves. And the peacetime uses you can figure for yourself!

All that remains to be said here is that this is another of the unlimited and unpredictable uses to which men of imagination can put Veeder-Root Counting Devices. These devices can be applied, in ways just as unheard-of as this, to hosts of products now in use or still on the drafting boards. For Veeder-Root Devices can be built-in as integral parts of any product... to provide continuous Control over performance or production... or to provide proof of performance-guarantee. So take Counsel now with Veeder-Root engineers, and let them open your "Mathematical Eyes" to new possibilities for your product.

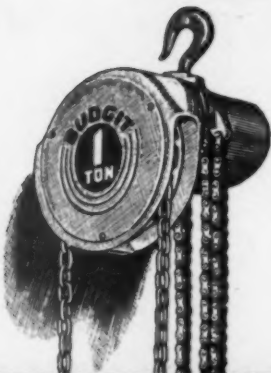
The Counting House of Industry



VEEDER-ROOT INC.

HARTFORD 2, CONNECTICUT

In Canada: Veeder-Root of Canada, Ltd., Montreal
In England: Veeder-Root Ltd. (New address on request)



None like it!

No other chain block of similar type and capacity, compares in weight or mechanical efficiency.

(The 2-ton 'Budgit' Chain Block weighs only 25 lbs.—so one man can lift, carry and hang it up where the lifting is to be done.)

The high efficiency is accomplished by radically new design—the only revolutionary improvement in fifty years of chain blocks—anti-friction bearings throughout, and all working parts—including the automatic load brake—operating in grease in a sealed housing.

They are especially suitable in factory yards, on construction jobs, in the oil fields, in mills and factories, in places where electric current is not available.

Wherever manual lifting must be done, it is the essence of wisdom and economy to use 'Budgit' Chain Blocks.

Budgit' Chain Blocks are built to lift up to 1/4, 1/2, 1, and 2-ton loads. Prices start at \$59.50 list. Send for Bulletin No. 357 for more detailed information.



'BUDGIT'
Chain Blocks

MANNING, MAXWELL & MOORE, INC.
MUSKEGON 5, MICHIGAN

Builders of 'Shaw-Box' Cranes, 'Budgit' and 'Load Lifter' Hoists and other lifting specialties. Makers of Ashcroft Gauges, Hancock Valves, Consolidated Safety and Relief Valves and 'American' Industrial Instruments.

Back to Flag Line

Revived proposal to set up single all-American overseas air system coincides with new British restrictions on U. S. operators.

Sudden revival of discussion of the proposal to set up a single all-American flag line to perform all international air transportation services for the United States has coincided, too closely to be purely accidental, with the British government's clamping down restrictions on existing American transoceanic operators' landings in England.

• **Still Divided**—Last July the Senate Commerce Committee found itself evenly split on the all-American scheme, as embodied in a bill introduced by Sen. Pat McCarran of Nevada, and the committee is still divided over the best way to promote American participation in commercial overseas aviation.

Six members, including Chairman Josiah Bailey of North Carolina, have expressed rather pointed disapproval of the recent "interim" report in which a

majority of the committee commented favorably on the idea of an all-American flag line, or at least some form of single unified international air transport system for this country. McCarran has since revised his bill, to include a provision for minority stock ownership in the enterprise—under Civil Aeronautics Board supervision—by ocean steamship lines, domestic air carriers, and railroad.

• **ICC Objects**—Prospects for railroad participation aren't noticeably brighter, however, and the roads are expressing little interest in the idea. Evidently they are not unmindful of the antipathy the Civil Aeronautics Board has been exhibiting toward a tie-up of domestic aviation with "ground" carriers, or of the Justice Dept.'s feelings about monopoly in transportation.

The Interstate Commerce Commission's view of the latest McCarran proposal offers them no encouragement. The commission asserts that a railroad's resources ought to be concentrated in its own immediate business. Moreover, the ICC wants to be in on the approval of railroad acquisition of stock in an international airline, and it hasn't hesitated to say it regards such participation as being of no benefit to the railroads.



FOR HIGH INTERNATIONAL FINANCE

Ready for business, the reorganized Export-Import Bank board conducted its first meeting in Washington last week. Attending were (front row, left to right): Herbert E. Gaston; Chairman William McChesney Martin; Under Secretary of State Dean Acheson, acting for Secretary Byrnes; (rear) Clarence E. Gauss; President Wayne C. Taylor; Lynn Stambaugh. The bank looks for a capitalization boost from \$3,500,000,000 to \$7,000,000,000 for transactions with foreign countries, expects heavy inroads in the next ten months before the Bretton Woods bank gets on its feet.

STEPS UP PRODUCTION STEPS DOWN COSTS



This One Tool Does Many Kinds of Grinding, Wire Brushing, Buffing

Black & Decker Electric Portable Grinders save time on such a variety of jobs—particularly where the tool must be carried to the work—that they rank high as profit producers for any metal working plant or shop.

With their various attachments they prepare surfaces for welding . . . smooth welds . . . snag and grind castings . . . cut off rivets, bolts, studs . . . remove rust, scale, oxidation, old paint . . . clean tanks and structural metal . . . do spark testing . . . grind, clean and buff frames, cabinets and other assemblies . . . save countless hours of slow, laborious hand work.

The demand for many Black & Decker Electric Tools still exceeds our ability to turn them out . . . so, to insure the earliest possible delivery, place your order now. For more information about Black & Decker Portable Grinders, see your nearby Black & Decker Distributor. For a copy of catalog of more than 100 different cost-cutting Electric Tools, write to: The Black & Decker Mfg. Co., Dept. 701, Towson 4, Maryland. (In Canada: Terminals Warehouse Bldg., Toronto, Ontario.)

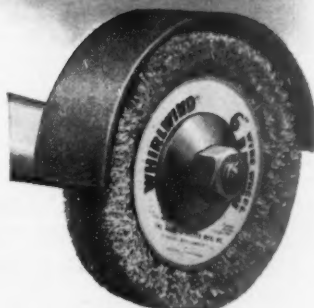


LEADING DISTRIBUTORS EVERYWHERE SELL

Black & Decker

PORTABLE ELECTRIC TOOLS

Grinds any Metal



Wire Brushes
and Burnishes



Bufs and Polishes



NO "FIND-I-TIS" TROUBLE HERE!

100 G/W filing cabinets with G/W "Safeguard" Filing System at large tool firm (name on request). Letter, 4x6 and 5x8 card, and check files.

So impressed was the President, that he ordered complete similar equipment for his private office.

THEY GO TOGETHER THEY BOUGHT THEM TOGETHER



G/W PACKAGED "SAFEGUARD" FILING SYSTEM

The supremely simple, easy cure for "Find-it-is." Includes A to Z "Safeguard" guides, folders, instructions, to

install a *trouble-free* filing plan in any 1-, 2-, 3-, or 4-drawer file; also available for larger requirements.



G/W FAMOUS FEATHER-TOUCH FILING CABINETS

Nothing on the market can outdo G/W precision-built filing cabinets in smooth, easy operation. First choice for years by discerning buyers. The long-run value of ideal feather-touch movement and lasting, dependable service come from quality materials, finest craftsmanship.



Globe - Wernicke

FILING EQUIPMENT AND SYSTEMS

No installation is too small... or too large... executives the country over find a quick, sure, money-saving cure for "Find-it-is" when they install a G/W "Safeguard" Filing System. For thousands it eliminates filing and finding grief. For maximum efficiency install "Safeguard" System in G/W cabinets. They go together... use them together. Precision-built for lifetime service. See G/W "Safeguard" System, G/W cabinets at your dealer.

Get Your FREE COPY

Famous Globe-Wernicke "Find-it-is" Booklet Shows How Filing is Made Easy... Quick... Accurate!



For executives... secretaries and file clerks, too... this free booklet fully explains the ideal way to run a file. The way that always works! Free at your G/W dealer, or write The Globe-Wernicke Co., Norwood, Cincinnati 12, Ohio. "Headquarters for Modern Office Equipment."

*The inability to find what you have filed.

Visible Record Systems
Office Furniture
Bookcases
Stationers' Supplies

Fishing Treaty

Six-man commission may end bickering among fishermen of Lake states and Ontario over rules, limits, privileges.

Experts say that Great Lakes fish population is dwindling. And there is increased bickering among commercial fishermen from the eight Lakes states and the Province of Ontario, Canada, to who is favored by their respective regulations governing open seasons, types of nets and mesh sizes, limits on individual fish, limits on hauls, and types of various gear.

• **Renewed Effort**—To save the fish population and stop the fussing, the states have since 1883 tried repeatedly to get together amicably on enforcement of uniform conservation and commercial fishing regulations. Two or three cooperative compacts have failed after breakdowns—good intentions got snarled with political and private interests. At least once, there was fruitless talk of an international agreement between the U.S. and Canada.

Now, a new proposal for a treaty to regulate Great Lakes fishing is coming to a boiling point in the State Dept.

This move got a start in the 1930s beginning in voluntary action by conservationists and fisheries representatives. This led to appointment in 1941 of an international board to study methods of preserving and developing the Great Lakes fishing industry.

• **Low Yield Cited**—The board reported in 1943: (1) that normal Great Lakes catch should be 101,000,000 lb. a year—on the basis of statistics available for 15 of the years between 1879 and 1918; (2) that average annual yield between 1918 and 1929 was only 77,000,000 lb., and between 1929 and 1940 was only 83,000,000 lb., this despite greater fishing intensity and greater efficiency of equipment.

The board's statistics through 1943 show a continuing shortage. The 1939 catch exceeded 85,000,000 lb. In 1940, the catch was 79,000,000 lb.; in 1941, 78,000,000 lb.; 1942, 75,000,000 lb.; and 1943, 78,000,000 lb. The wartime meat shortage sent production up 4% in 1943 over 1942, but increased dollar yield 42% to \$12,277,000.

• **Treaty in the Works**—This report led to informal agreement last fall between U.S. and Canadian representatives that a treaty should be drawn. The State Dept. is expected to refer a draft of the proposed treaty to the Senate Foreign Relations Committee this month.

The treaty calls for a six-man com-



"A Bag of tricks brought a salary boost"

She opened it the last time the boss came to dinner. There was real meal-time magic in that smooth, creamy soup... those light, fluffy dumplings... and soft, white rolls... It led to that salary boost.

The bag of tricks? It was a Bemis Deltaseal Bag, packed with her favorite flour that put the extra zing into a meal planned just right. She chose the Deltaseal-packed flour because she could see it was fully packed... and sealed right at the mill. She knew she was getting full value... not paying for an expensive container. And there was the Deltaseal "easy-pour" spout that makes measuring right from the

bag so easy... and almost closes itself to keep out dust and dirt.

Millers find Deltaseal Bags economical and easy-to-fill. With the Deltaseal System they pack and automatically close up to 40 5-lb. bags per minute. The flat faces, sides, and ends of the Deltaseal Bag are ideal for brand printing, recipes, etc.

★ ★ ★

Perhaps the Deltaseal System of Packaging will give your product new sales appeal, lower packaging costs or better competitive position. Consult Bemis Packaging Specialists. Because Bemis is a leading manufacturer of all types of bags, these men can give you unbiased recommendations. Write today. No obligation.

Here it is—the Bemis Deltaseal Bag. Look for it at your grocer. It may hold flour, sugar, rice or any of a dozen foods.



FOR ECONOMY
...buy by
weight in bags



BEMIS BRO. BAG CO.

GENERAL OFFICES: St. Louis, Mo.

Cotton, Paper and
Burlap Bags



25 PLANTS THROUGHOUT
THE COUNTRY

mission, three from each nation, to rule fishing and conservation practices in a manner similar to U. S.-Canadian boards that govern halibut and salmon fisheries on the Pacific Coast.

So far, Ohio, second to Michigan in volume of annual catch, is offering the only strong opposition. Ohio opponents assert that a three-member U. S. panel on the international commission cannot properly represent individual interests of the eight Lakes states—Minnesota, Michigan, Wisconsin, Illinois, Indiana, Ohio, Pennsylvania, and New York.

• **Possible Reason**—Rep. Alvin F. Weichel of Sandusky, Ohio, has introduced a resolution asking the State Dept. to stop trying to give control of Great Lakes fisheries to "a foreign government."

Observers saw another possible reason for Ohio's kick: T. H. Langlois, most outspoken member of the Ohio state conservation staff, holds that conservation practice, not size of fishermen's catches, determines the size of fish population. Neighboring states complain that Ohio fishing regulations are less rigid than their own. The implication is that a joint ruling board would tend to bring Ohio regulations into line with those of other states and reduce profits of Ohio commercial fishermen.

Hemp Menace

Vast expansion of acreage to supply cordage fiber for war offers threat of increased traffic in hard-fought narcotic.

The threat of a narcotic traffic, aftermath of the wartime need for hemp and showing few signs of abatement, is giving cause for serious concern to city police, midwest communities, and farm fathers.

• **Lingering Menace**—Controls on hemp production were relaxed when cordage fiber was desperately needed for the Navy (BW—Apr. 21 '45, p. 61) after sisal and manila fiber imports were cut off. The drug menace lingers because hemp sows itself, grows wild, and still has friends, like Sen. Robert M. LaFollette of Wisconsin, who is sponsoring a bill to permit—under controls—continuation of the wartime industry.

Leaves and flowers of the hemp plant, crumbled, are rolled into cigarettes which give the smoker an intense illusion of greatness, followed by the usual hangover and depression. Hampered by manpower shortages, the Bureau of Narcotics could only make token raids

and try to police the 72,131 acres invested in 1944.

• **For Novelty Textiles**—Hemp didn't make the best rope and was ordinarily supplanted, in peacetime, by imports from the Philippines, but makes good novelty textiles for table cloths, sport shirts, and other items subject to hard wear. France and Belgium each have bought 10,000,000 lb. from the U. S. in 1945 for such products, and a few yarn spinners have been using hemp. It is these markets where midwest farmers want to continue supply.

The government's wartime hemp program cost it from \$18 million to \$20 million in support prices and promotion expenses, plus \$11,860,000 spent on the construction of 42 mills. Eight of these mills are still operating but 34 have been declared surplus, as of Dec. 20, and are in the hands of the Reconstruction Finance Corp. for lease or sale.

The mills are of masonry construction and are not considered particularly good for any other peacetime use. The machinery is also of little value for anything else, although one Florida company processing ramie has bought extensive amounts of it.

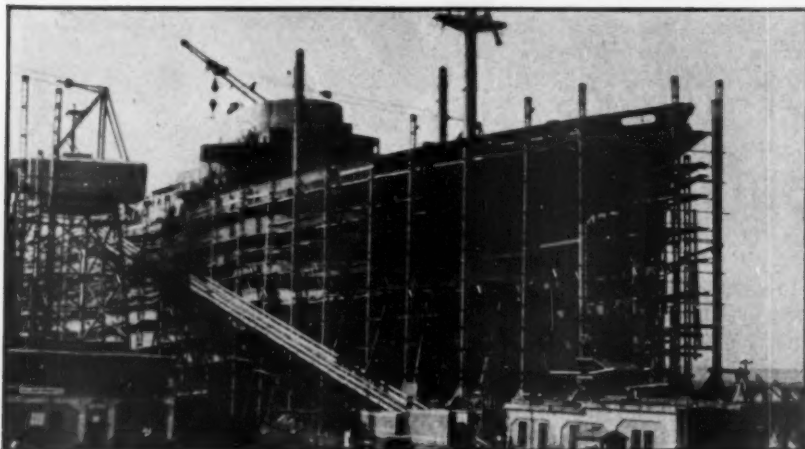
• **Early Kentucky Crop**—Hemp has many of Kentucky's old-time plantations in years when the state's acreage reached 75,000 and slave labor was plentiful for growing, retting, curing, breaking, and twisting. Many a pioneer's shirts were made of hemp.

After 1900 Indian jute, Mexican sisal, abaca, manila fiber, and machine-processed hemp from Wisconsin shrank Kentucky's acreage to 500. War brought it back, but chiefly as a seed crop because seed from Kentucky was better than any other. In 1942, Kentucky planted 29,000 acres for seed and 6,500 for fiber. Last year the state planted only 200 acres for seed and 2,000 acres for fiber.

The states, other than Kentucky, most interested in hemp production, and indirectly in the national marijuana danger, are all in the Middle West. In 1944 Wisconsin harvested 22,417 acres, Iowa, 17,454; Illinois, about 16,000 and Minnesota, 13,325.

• **Stocks Increasing**—Stockpiles in some 50 warehouses are estimated at 18,000,000 lb. and will be increased to 20,000,000 lb. when the mills still working have finished the 1945 crop.

About 40% of the hemp fiber obtained is of the better grades while 60% is the tangled and dirty kind known as tow. There would have been more good fiber during the war years except for bad weather, inexperienced labor, and delays which let the straw remain too long in stacks. Line fiber, the best, was used at



SOUTHWARD BOUND

On its ways in Ingalls' Pascagoula (Miss.) yards, the 10,000-ton cargo-passenger ship *Del Norte* is readied for its launching this week. Of streamlined design, the 465-ft. craft boasts an aluminum superstructure (left) and stack, has two sister ships under construction by Ingalls. With accommodations for 120 passengers, the *Del Norte* will ply between New Orleans, Rio de Janeiro, and Buenos Aires for Mississippi Shipping's Delta Line.

Century
C
MOTORS



Centerless grinder
driven by a Century
30 horsepower 3
phase motor.

Help Maintain

PRECISION

of Machine Tools

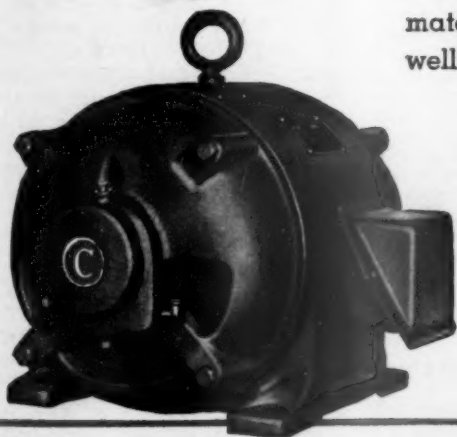
*Their Remarkable Freedom from Vibration
Contributes to Greater Accuracy*

Century Motors for machine tools are built to match the precision of the machines they drive.

They are accurately constructed with plenty of material where necessary to maintain rigidity — well balanced mechanically and electrically.

Century's wide range of types and sizes of motors from 1/20 to 600 horsepower enables you to match a Century Motor to your machine.

Century Motors may be a vital factor in producing a better product at a lower cost — Specify Century.



CENTURY ELECTRIC CO. • 1806 Pine Street • St. Louis 3, Missouri

Offices and Stock Points in Principal Cities

CE-41



S-T-R-E-T-C-H-I-N-G A BOXCAR

IN THE EARLY STAGES OF THE WAR, a serious shortage of shipping space threatened supply lines to Europe and the Pacific. Aiding in the urgent search for a solution to the problem, The Cambridge Tile Manufacturing Company, Cincinnati, successfully completed an experiment in compressing three carloads of dried whole egg powder and loading them into a single boxcar.

Presses that had been used to compress clay into Suntile were quickly converted into food-compression equipment through the use of new dies designed and built in Cambridge Tile's own shops. Facilities were rapidly expanded to meet the ever increasing demand of the Armed Service Forces for compressed emergency rations. But the conversion created handling problems that throttled production and prevented full utilization of the extra shipping space made available by the new food compression method.

So Towmotor engineers were called in to install a modern materials handling system. 100-pound bags of dried food powders were loaded on pallets in the receiving room and fed to the production line in a continuous, controlled stream. The finished cakes of compressed food were packed into shipping cartons,

assembled into large unit loads, and moved directly into the boxcars by one girl and a Towmotor. Work schedules were accurately timed to provide maximum output per man and machine. Closer inventory control eliminated delays and tie-ups. Production speed was increased to machine capacity, freed from the limitations imposed by slow handling methods. Most important, Towmotor made possible immediate and full utilization of every foot of shipping space.

The results achieved at Cambridge Tile are typical of Towmotor installations throughout industry. The know-how and experience that contributed numerous opportunities to increase productive output also enabled Cambridge Tile to effect savings of \$1,000 a month in handling costs alone. The Towmotor Materials Handling Analysis Guide, a product of know-how and experience, will greatly simplify your handling problem; send for a copy today. Towmotor Corporation, 1221 East 152nd Street, Cleveland 10, Ohio.

**TAKE IT UP WITH
TOWMOTOR
THE ONE-MAN-GANG**

an extender with other fibers for making rope.

• **Growers Licensed**—The Bureau of Narcotics will continue to require licenses for hemp growing, but so long as growers can get \$50 a gunnysack of leaves and flowers in illegitimate drug peddling of marijuana will continue to be one of the war's contributions to increased crime and juvenile delinquency.

Poultry Gamble

Farmers spurn warning to cut their flocks. Profits from big 1945 production encourage them to take another fling.

Farmers haven't been paying much attention to Secretary of Agriculture Clinton P. Anderson's request to cut poultry flocks back to around prewar size.

They figure that, one way or another, the government will bale out any surplus of eggs and that, even though prices drop to the government's 90% of-parity support levels next spring, there will be money in eggs.

• **Sitting Tight**—So the poultrymen begin the new year with as many hens and pullets as they had at the outset of 1945.

The total is estimated by the Bureau of Agricultural Economics at 475,000,000 hens and pullets, as contrasted with an Agriculture Dept. goal of 408,000,000 birds on Jan. 1.

• **Support Program**—Actually, eggs are scarce at the moment, and strong prices certainly give poultrymen no incentive to cut flocks now. But the Agriculture Dept. isn't deluded by the present shortage. It now has readied its 1946 egg price support program—and fears that the job may cost as much as \$200 million. The plan is to route surplus eggs to driers, sell the egg powder at export prices so as to cut the losses.

Indicative of the production trend, BAE reported a record November output of chicks by commercial hatcheries—27% more than in November, 1944. And on Dec. 1 there had been bookings for later delivery 19% more chicks than on the same date last year.

• **Hens Keep, Eggs Don't**—The Agriculture Dept. also wants fewer chickens raised in 1946—only 680,000,000 compared with the 821,000,000 raised in 1945, and the 1937-41 prewar average of 656,000,000. At the same time it wants farmers to cull 126,000,000 hens and pullets by next March.

The department would prefer to support the price of storable hens than perishable eggs. Two years ago, the

AMERICAN OPTICAL COMPANY

Announces

A PLAN for Industrial Safety and Visual Efficiency, developed in co-operation with the Ophthalmic Professions, which makes it possible for the eyes of each worker to meet the visual demands of his job; resulting in increased individual output, better quality of work, a noticeable reduction of accidents and spoilage, and lower costs.

Write today for "Industrial Visual Efficiency, A Management Opportunity." This brochure describes the plan, its installation and operation, and the benefits to be obtained.

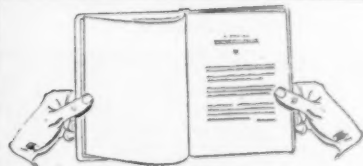
THE AO PLAN FOR INDUSTRIAL SAFETY AND VISUAL EFFICIENCY



Visual status of each employee checked by AO Sight-Screener operated under the supervision of a member of the Ophthalmic Profession.



Interpretation of the screening record cards by the professional man in charge. Recommendations given for complete examination and clinical diagnosis when indicated.



Plant survey to determine the location and nature of eye hazards. Report contains recommendations of proper eye protection equipment and visual efficiency program to meet plant conditions.



Complete service on safety goggles and corrective-protective equipment to meet every industrial requirement.



Assistance in the development of a program to educate employees on the value to them of eye protection and visual efficiency.

BENEFITS

*Improved quality of work
Increased individual output
Reduced spoilage
Fewer accidents
Lowered cost per unit
Elimination of eyestrain,
fewer mistakes*

American Optical

COMPANY

SOUTHBRIDGE, MASSACHUSETTS



NOW...fire protection is in the driver's seat

Bus operating companies had long been aware of the need for *thoroughgoing* protection against engine fires. Protection that would spot a blaze at once—and kill it *fast*—ending the threat of injury to passengers or damage to equipment.

Kidde engineers took on the job!

Now, Kidde built-in systems on buses flash instant warning of the *start* of an engine fire... extinguish it in seconds at the pull of a handle—operated *right from the driver's seat*.

Other equipment developed by Kidde stands guard against fire—and *fire-aftermath damage* too—in airplane engines and baggage compartments. In shipboard machinery spaces and cargo holds. In record vaults and fur storage rooms. In the engine compartments of yachts and motorboats. In the danger spots caused by flammable liquids and electrical equipment in the industrial, chemical, petroleum, and public utility fields.

Kidde representatives have at their finger-tips all the Kidde organizations' accumulated fire-fighting experience. One of these representatives will be glad to discuss with you ways of reducing fire risks in your own business. Call on him for suggestions.

Walter Kidde & Company, Inc.
125 Main Street, Belleville 9, New Jersey



The word "Kidde" and the Kidde seal are
trade-marks of Walter Kidde & Company, Inc.

Kidde

War Food Administration struggle with a surplus of eggs that ended Corn Belt hog troughs. Present officials want no repetition of that experience.

• **Hope to Repeat**—In 1945, WI tried to get farmers to cut back their flocks, but they came up with a new record lay, cashed in on the shortage of red meats. They hope to repeat in 1946.

But there will be no shortage of red meats this year and consumers will be so interested in eggs, say department officials.

MILLIONS FOR HIGHWAYS

The long-delayed program of federally aided state highway construction is about to get under way.

When, at the end of 1944, Congress authorized the federal expenditure of \$500 million a year for three consecutive years, to be matched on a dollar-for-dollar basis by the states (BW—Dec. 9'44,p19), no construction was possible because of shortages of materials and manpower. But a congressional resolution last October released the first half billion for allotment by the Public Roads Administration for expenditure during the fiscal year ending June 30, 1947.

Under the 1944 law, \$225 million a year of the federal money will be allotted for regular federal-aid roads, with \$150 million for secondary and feeder roads, and \$125 million for arterial highways through urban areas.

Herbert S. Fairbank, deputy commissioner of the Public Roads Administration, estimates, in an article published in the January issue of *Construction Methods*, a McGraw-Hill publication, that besides \$1 billion a year provided by the federal-aid program, state and local governments will spend an annual minimum of \$200 million on new road building and \$700 million on maintenance and repair of existing roads, making a total of at least \$1,900,000,000 a year. He believes that, if the wartime road-building deficit is to be made up within four years, about \$400 million a year more than the minimum will have to be spent.

OPA BEATEN ON FARES

Efforts of the Office of Price Administration to regulate transit system fares have come a cropper at Detroit and Indianapolis.

At Indianapolis, U. S. Judge Robert C. Baltzell ruled that Indianapolis Railways had the right to increase fares as it recently did without consulting OPA. He held that the Public Service Commission of Indiana, not the Wash-

struggle ended present that expected. With back the with a ne the shorta repeat age of the ers were departme

on agency, had jurisdiction over the

at Detroit the Department of Street Railways raised all fares to 10¢ as of Jan. 1. The streetcar fare has been 6¢ the bus fare 10¢.

protest from OPA was promptly met by the Street Railway Commission, which took the position that it alone had the power to decide fares, and maintained the increase was necessary to keep the system out of the red.

When OPA sought to look into the system's books, it was given a cold shoulder.

AYS

of fedt constructive

Congress

iture

insecuti

ollar-f

W-D

possib

als an

ual res

the fir

e Publi

endit

une 3

million

be a

ls, wil

feed

al high

com

mine

e pub

Cong

ill pub

a year

ogram

spend

ion on

on ex

isting

,900

if the

to be

about

th

min

fare

d in

ob

poli

fare

ting

visi

ash



NEW TRAILS

General Mills, Inc., about ready to market the first of its new line of household appliances (BW—Jan. 15 '44, p. 32), this week injected a "teaser" into its series of ads running in general and farm magazines. The ad depicts a "magic motor" in which the motor operates outside the magnetic field. The principle is old but G.M.I. has patented new applications and improvements which it says will be embodied in some of its Betty Crocker appliances. Its first use may be in a coffeemaker, the rotor equipped with pumping flanges to force hot water over the grounds. First G.M.I. appliance on the market, however, will be an electric iron which is now in production. It will be followed by a pressure saucepan.

HYSTER

SINGLE CABLE CHAIN DOES NOT OBSTRUCT VISION

ROLLER MOUNTED FREE-RUNNING, GREASELESS HOIST FRAMES

PATENTED TILTING MECHANISM IS ALSO OVERHEAD GUARD AND WEATHER PROTECTOR

LEAK-PROOF DIS-PLACEMENT TYPE HOIST CYLINDER

MAXIMUM DRIVING VISIBILITY

TRUNNION STEERING—CONVENTIONAL CONTROLS HYDRAULIC BRAKES

STEEL SHIELD—ONE PIECE WELDED BODY

ENGINE ACCESSORIES LOCATED FOR MOST CONVENIENT SERVICE

SPEEDS UP TO 12 MILES PER HOUR IN EITHER DIRECTION

THE ONLY 4000 POUND INDUSTRIAL LIFT TRUCK ON PNEUMATIC TIRES

HYSTER 40

The new

ANOTHER NEW HYSTER PROFIT- MAKER FOR YOUR BUSINESS...

A 4000-POUND industrial lift truck on pneumatic tires! The new Hyster "40", with 2-ton lifting, transporting, stacking capacity has the ability to solve 7 out of every 10 materials handling problems in the average business... Pneumatic tires for fast, smooth work, indoors and outdoors. Gasoline powered. Powerful, efficient hydraulic lifting mechanism. Many new engineering improvements. Easy to operate. Easy to service.

The new Hyster "40" is fully illustrated and described in Bulletin 1016. Write for your copy.

DISTRIBUTOR SALES AND SERVICE IN PRINCIPAL CITIES

HYSTER COMPANY

PORTLAND 12, OREGON ✪ PEORIA 3, ILLINOIS

BRANCH OFFICES

CHICAGO • NEW YORK • MEMPHIS • LOS ANGELES • SAN FRANCISCO • SEATTLE

TEXTILE

For Yarn Makers

Kidde will build machines for and will license use of bonding process developed by Riverside & Dan River.

Machines for utilizing a radically new yarn manufacturing process were shown this week by Walter Kidde & Co., marking a further incursion into the field of textile machinery indicated last month by Kidde's introduction of two attachments for textile winding machines.

Kidde, manufacturer of fire-fighting equipment who last year acquired the Youngstown Miller Co., maker of plastics coating machines, will build equipment for the bonded fiber yarn process developed by the Riverside & Dan River Cotton Mills (BW-Dec.16'44,p56).

• **Dan River Process**—Two somewhat different yarns can be made by the Dan River process. One is a yarn somewhat stronger than conventional cord, but produced without spinning, spooling, beaming, twisting, or cabling. To make the cord, a relatively soft and weak strand of cotton (called roving) is impregnated with a resin by a simple immersion operation on one machine.

After the resin has remained on the roving for a time (how long depends on the impregnating material used), the thread is stretched on another machine and run over heated surfaces (350 F. for one resin) to cure the impregnating material. The resulting cord is definitely stronger than one of similar size produced in the conventional manner.

• **Another Purpose**—A second use for same equipment is to impregnate, stretch, and cure conventional yarns with the result that their strength is approximately doubled.

Although two machines are used in these operations—one for impregnating and the other for stretching and heat-treating—Kidde and Dan River engineers visualize the possibility of combining the functions on one machine.

It is claimed that cord can be produced from roving cheaper than it can be spun. If a dye is incorporated in the impregnated bath, and the expensive dyeing operation is eliminated, the saving is considerable.

• **Applications**—The yarn produced is regarded as especially suited for awnings and industrial products such as hydraulic hose, conveyor belts, trans-

mission belts, webbing, braids, and rope.

High strength of the yarn is achieved at a sacrifice of elongation, which means that the new material is not suitable for many fields, notably tire cord. Moreover, the process is best adapted for heavy yarns which fall into the classification of cords.

Riverside & Dan River Cotton Mills has built a few production machines which it has used to produce wrapping twines, cords for transmission belts, and other products under its "fiber bonded" trade mark. Dan River officials point out that the bonding process permits the use of cheap short-length staple.

• **Licensing Arrangement**—Dan River and Kidde have been approached by foreign as well as domestic mills for licensing of the process and early delivery of the machines. Kidde plans to supply the chemicals for the process, too. Royalties for the use of the process are based on the value of the yarn produced and are on a sliding scale.

Kidde's first textile venture involved two interrelated devices for handling

On separate pilot models, which may be incorporated later into a single unit, Riverside & Dan River Cotton Mills impregnates (right) weak cotton strands with resin, then stretches and cures them (below), ends up with yarn stronger for its size than that produced conventionally, it is claimed.

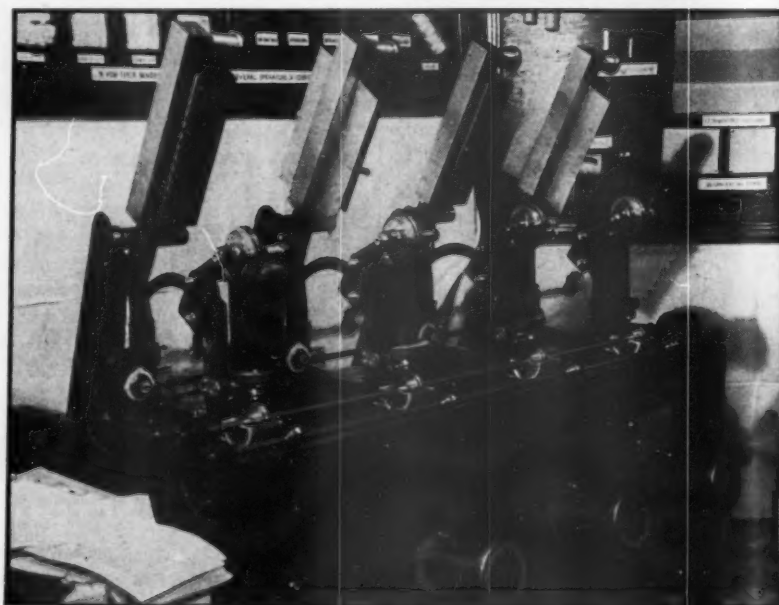
nylon, rubber, and other yarns requiring precise winding tension, such as yarn when package-dyed or rubber yarn manufactured into elastic fabrics. Next move may be acquisition of an established textile machinery concern, production of still other textile machinery or both, according to trade reports.

WATERING THE COTTON

To offset a price handicap on irrigated cotton, maybe turn it into premium, Arizona is measuring moisture samples from three ginning areas, to get data on which to base the addition of 3% to 5% water to the fiber, by a moisture applicator, in the gins.

Cotton mills have long paid less for irrigated cotton, as harder to spin, lowering their day's output.

From 6% to 8% moisture is needed



is requ
ch as a
ber var
es. Ne
in est
ern, p
machin
ports.

N
on m
nto p
isture
is, to
lition
er, by
less t
oin, l
need

N
on m
nto p
isture
is, to
lition
er, by
less t
oin, l
need

2, 194

IBM ANNOUNCES

the 1946 Electromatic Typewriter, which produces letters of distinguished appearance, with a minimum of physical effort on the part of the operator.

It is now on display in IBM offices in all principal cities throughout the country. We will be glad to furnish you with full information upon request.

INTERNATIONAL BUSINESS MACHINES CORPORATION

World Headquarters Building, New York 22, N. Y.

TYPEWRITER

"BAKER *Articulated* FORK TRUCKS

were an invaluable aid in
production of aircraft engines"

Says Packard Motor Car Co.

Here's what Packard says
about their trucks:

"Baker articulated fork trucks were an invaluable aid to the Packard Motor Car Company in production of aircraft engines for five Allied planes. While adaptable for virtually any transport job in the factory, they were particularly outstanding in their capabilities for loading and unloading cars.

"Through use of the Baker trucks it was possible for one man to load 26 motors into a car in the minimum time of one hour. Because of their flexibility, the trucks required less space for movement, and, as a result, permitted full and orderly utilization of available space."

Baker Articulated Fork Trucks have been in service at the Packard Motor Car Company since 1941. Before that, boxed aircraft engines were loaded into railroad cars with conventional fork trucks. These trucks could load the ends of the car, but to complete the carloading, boxes had to be placed on rollers and pushed into place. This obviously

slowed up carloading and required the services of several employees.

Because Baker Articulated Fork Trucks require less clearance for spotting loads and can be easily maneuvered in congested areas, one operator quickly loaded the complete car without resorting to hand methods. These same advantages also produced similar savings on other material handling operations in production and storage departments.

If you have a problem of moving material where space is limited, or if you would like to use warehouse space to better advantage, let a Baker Material Handling Engineer show you what this revolutionary new truck can do. Or write us direct.

THE BAKER INDUSTRIAL TRUCK DIVISION

of The Baker-Raulang Company

2164 West 25th Street • Cleveland, Ohio

In Canada: Railway and Power Engineering Corporation, Limited



Member: Electric Industrial Truck Association

Baker INDUSTRIAL TRUCKS

for good spinning, and Dr. R. S. Hawkins, University of Arizona agronomist who started measuring gin samples a year ago, finds that Arizona cotton goes to market with only 2.5% to 3% moisture. Ginners have believed that would pick up moisture en route, but Dr. Hawkins says it doesn't. A few cotton spinners have found that irrigated cotton with added moisture is excellent. Arizona wants to add the moisture to the gin to all its cotton.

Nonshrink Rayons

New fiber-stabilizing processes, developed within and without the textile industry, promise good results.

What Sanforizing did for cotton fabrics, new chemical fiber-stabilizing processes are expected to do for rayons. House dresses, play clothes, shirts, and other rayon garments will gain longer life under the rigors of frequent laundering without shrinking, stretching, or falling apart according to those in the industry who have experimented with the new methods.

• "Definized" Finish—Some of the larger textile companies are reported to have developed their own chemical stabilizing treatment for rayon, and outside firms have developed chemical processes which will be available under license to textile manufacturers. One of these, Alrose Chemical Co., Providence, R. I., has perfected a "Definized" finish which will be handled by Aqua-Sec Corp., New York, announcer of the process.

In laboratory and mill production tests, hundreds of thousands of yards of materials made of rayon and rayon blends have been stabilized, then laundered time and again. Aqua-Sec says the rayon showed good abrasive resistance, with no loss of tensile strength, no chlorine damage, and with minimum shrinkage or stretching distortions. Dimensional change is said to have been held to 1%. Feel and appearance are said not to have been altered. Clear color definition in dyeing and printing and heightened brilliancy of white goods are other claims.

• Simple Treatment—The "Definized" treatment is described as a simple, low-cost chemical application padded to the gray goods and then dried, the goods being immersed in another chemical liquid preliminary to the usual boiling and dyeing operations. The compositions of the chemical solutions used remain the developer's secrets.

It is understood that the other-

yet unannounced—chemical stabilizing process to be available under license is applied to the finished fabric and not to the gray goods.

• **"Important" Results**—One textile man who has seen the results of the new processes characterizes them as "really important." The fact, he says, that there is no retention of chlorine by the fabric after it has been laundered in water containing that chemical means a lot with respect to washable rayon fabrics, because retained chlorine seriously shortens the life of the goods, reducing the normal expectancy of 30 to 40 launderings to 7 or 8.

While the chemical stabilizing processes may to some extent replace the resin finishes for rayon, the latter still have their place, as, for example, where crease resistance is important.

Tacit Warranty

Decision that textile product must suit buyer's purpose adds interest to technical progress reported by chemists.

A new aspect of textile manufacture, the concept of implied warranty, ran strongly through the convention of the American Assn. of Textile Chemists & Colorists in New York City last week, intensifying interest in the hundreds of technological advances reported to improve and insure quality.

• **What It Means**—Implied warranty as defined by Lew Hahn, general manager of the National Retail Dry Goods Assn., is the result of a recent court decision that a textile product sold for a specific use must be inherently suitable for that use.

The aspect of implied warranty now threatens textile manufacturers who are just getting a breathing spell from demands of the Army and Navy that fabrics live up to strict specifications. The result is intensified interest in work of the A.A.T.C.C. in measuring such factors as effectiveness of mildew-proofing compounds, wash fastness of colors, fire resistance of fireproofed textiles, water resistance of water-repellent fabrics, color fastness of dyes, possible rubbing off (crocking) of colors, and possible damage by insect pests such as rug beetles and clothing moths.

• **Measuring Devices**—Machines for measuring each of these factors have been or are being developed, and the result will be that buyers can be more certain that textiles will be more definitely suited for use in awnings, curtains, rainwear, and other clothing. The big problem of correlating test methods with

actual use results is being solved, A.A.T.C.C. officials claim.

One of the outstanding developments of the A.A.T.C.C. during the past year, a machine for testing the flammability of textiles to ascertain whether or not they present a dangerous fire hazard, is expected to be prescribed as a standard test by state and federal legislation to protect the public against undue danger from clothing catching fire.

• **Fiber Selection**—To produce fabrics and garments more directly related to their use, more attention must be given to the selection of the proper natural or synthetic fiber. For example, Dr. Donald Powers of Monsanto Chemical Co. reported to the A.A.T.C.C. that winter clothing a quarter the weight of what is now being worn can be equally warm, according to wartime tests.

A wartime development not generally known threatens to upset ribbon manufacturing. It is a process for making narrow ribbons from wide pieces of acetate fabrics by heat fusing the edges while the fabric is being cut. The war has also resulted in acetate fibers replacing spun tussah (wild) silk for types of telephone central office wires, states Dr. Harold DeWitt Smith, treasurer of A. M. Tenney Associates.

• **German Colors**—In comparing textile developments here with those in Germany, it was revealed that of 119 new I. G. Farben colors studied by U. S. technologists all are merely "logical modifications and extensions of known classes of dyes," according to Niles A. Dahlen of du Pont.

The Germans had developed colors for yarns not produced here, such as Perlon and Pe Ce (chlorinated polyvinyl chloride); yet these dyes might have use on acetate rayon and extend the range of colors possible. A German method for facilitating screen printing of cloth might also have applications here.

• **Water Repellents**—The Germans had no durable water repellents of merit for treating fabrics so that they will shed water yet pass air, but did have good nondurable cloth such as made from zirconium oxychloride, R. A. Pingree, Warwick Chemical Co., reported. They also had developed relatively good water-repellent fabrics that utilized waxes and resins.

Great unrest stemming from developments in the textile and related industry is expected to result in many new fibers and finishes as well as in modification of natural fibers, such as the acetylation of cotton to make it resistant to rot. A report to that effect was made by Dr. Milton Harris, who has just been awarded the Louis A. Olney medal by the A.A.T.C.C. for his outstanding achievements in textile chemistry.

MANY OF
THE COUNTRY'S
LEADING AIRLINES HAVE
GROUP INSURANCE
WITH

CONNECTICUT GENERAL



... an air-minded insurance company bringing the advantage of many years' experience in meeting such insurance needs.

For progressive handling of your Group Insurance through a progressive company, consult

THE PROTECTED
PAY ENVELOPE

CONNECTICUT
GENERAL
LIFE INSURANCE COMPANY

HARTFORD, CONNECTICUT

PRODUCTION

Lubricants From Natural Gas

Synthetics developed during war are said to possess many characteristics better than petroleum-derived oils. S.A.E. also hears reports on automotive design, new fuel ratings.

Their eyes trained on production and technical problems, members of the Society of Automotive Engineers took a broad look this week at the postwar possibilities of their technical fields.

Papers on subjects ranging from atomic energy to new motorbus designs were read to a near-capacity turnout. Developments ahead were hinted at or forecast in detail.

• **Oil From Natural Gas**—The meeting heard for the first time that the United States developed during the war two new series of synthetic lubricants made from natural gas which are said to test out with many characteristics notably better than petroleum-derived oils. However, costs are slightly higher than those of the best natural lubricants at this time.

The synthetic lubricants are "synthesized from natural or other hydrocarbon gases as raw materials" and contain no petroleum oils. An "LB" series is for machinery lubrication in general. An "HB" series is soluble in water at room temperature, and depresses the freezing point of water to limited extent.

• **Less Deposit**—Divisions of Union Carbide & Carbon Corp. worked out the new series, both said to be superior to German synthetics. The reports were made by officials of Linde Air Products Co., National Carbon Co., Inc., and Carbide & Carbon Chemicals Corp., the three units which worked on the project.

In automotive applications, the synthetics were said to show cleaner engine operation than natural lubricants, easier starting at low temperatures, and smaller than normal deposits. Low pouring points and high viscosity were reported for the man-made lubricants, adding to their advantages.

• **Engines to the Rear?**—Looking into the automotive future, two papers discussed the likelihood of rear-engined automobiles, and both hinted they may not be far off.

William B. Stout, a rear-engine model adherent for many years, said that a car of this type would have the economy of small models and the roominess of large ones. Special interest was lent his remarks by the fact that he is now at

work designing a definitely hush-hush model for Kaiser-Frazer Corp. and Graham-Paige Motors Corp.

Stout said—perhaps quoting from engineering specifications, perhaps only from vague designs—that such a car could have an interior space 6½ ft. wide and 11½ ft. long, accommodating movable chairs instead of seats, a couch, and a table. He proposed that the body be made of glass or an equivalent fiber plastic of great impact strength.

• **May Revise Suspension**—As for a powerplant, he described a supposedly hypothetical engine with sleeve, or slide, valves, and distinctive connecting rods, bearings, and crankshafts. His keen technical audience recalled recent reports that the Skinner engine (BW—Oct. 13'45,p66) was being discussed for use in a Kaiser-Frazer car, and closely fits that general description.

New types of suspension may be nec-



New 1946 president of the Society of Automotive Engineers is L. Ray Buckendale, vice-president of Timken-Detroit Axle Co., who, succeeding James M. Crawford, presided over the first S.A.E. convention since 1941.

essary to provide continuation of the trend toward lower centers of gravity in automobiles, it was stated by H. E. Churchill, P. G. Hykes, and M. Z. Delp of Studebaker Corp. Continuation of this trend, they said, may necessitate rear mounting of engines to gain space necessary for seats. Further improvement of passenger comfort may be expected, they declared, but warned that continuing unbalance of front and rear end weights—as in present-day cars—would complicate problems of braking, steering, and vehicular behavior on rough roads and turns.

• **Superspeeds Forecast**—Future motor buses, it was predicted by L. H. Smith, engineering vice-president of General American Aerocoach Co., Chicago, will boast many improvements over present day models, and can be made to move passengers at fares of about 1½¢ a mile or so.

He predicted pressurized air-conditioned passenger compartments, individual radio sets, circulating ice water, retiring rooms, Polaroid windows, power steering, individual draft control, and other features. Not the least interesting of his remarks was the belief that such buses could move at speeds up to 100 mi. per hour on suitable highways.

An indication of what those highways will be was afforded by H. S. Fairbank of the federal Public Roads Administration. He talked of a nationwide network of superhighways for key routes, built on 224-ft. to 300-ft. right-of-ways, with lanes standardized at 12 ft. Two-lane highways would serve areas carrying less than 2,000 vehicles daily, four where traffic reaches from 3,000 to 15,000, and six where the travel was heavier.

• **New Rating System**—The beginning of the end of the octane system of evaluating automobile fuels was signaled in a report of the Coordinating Research Council, comprising experts from S.A.E. and the American Petroleum Institute. Donald D. Brooks of the National Bureau of Standards explained that fuels have outgrown the octane scale and its extensions. In its place, he said, will be finally perfected a "leaded triptane-heptane scale," expressible either as a triptane number or as a "detonation index," much superior to present fuel scales. This development is in advanced stages, he reported.

In further discussions on fuels, F. G. Shoemaker and H. M. Dadebusch of the General Motors Detroit Diesel Engine Div. reported that the war-hastened development of high speed diesel engines had brought with it a need for specialized fuels. No longer, they said, can almost any kind of fuel be injected into diesel cylinders. But they pointed out that the possibilities of obtaining



Reading time: 1 minute, 52 seconds

As a kid in knee pants, Speedy was always going "off to the races." They were the famous Elgin Road Races where he soaked up the talk and hustle of heroes like Teddie Tetzlaff, Eddie Rickenbacker, Barney Oldfield and the rest. Then, during high school days, Speedy got the thrills of a steering wheel himself. He drove a delivery truck for a feed company after school.

One day Speedy was met by the owner of a big estate who had a sign at his entrance that said, "No Agents Allowed." Speedy said, "Mr. Brown, if I respect that sign I'll never be able to sell you any feed." The man laughed and said, "Young man, I could use a salesman like you in my shoe business, here's my card." The morning after high school graduation, Speedy was on his way to Chicago and his new job with Mr. Brown. His Dad, the local piano tuner, said — "Speedy is off to the races again."

For three years Speedy traveled several states calling on the retail trade, selling shoes, saving money. He did a lot of his traveling by automobile, covered more miles and called on more trade than any other salesman. In three years he saved five thousand dollars and decided that automobiles were really the love of his life and, as he says it, "we decided to get married."

Speedy invested his savings and joined up with the Dodge dealer in his own home town. He set a swift pace as a salesman became friends with the local bankers who saw in Speedy a real hustler with a future. After

five years of partnership, Speedy bought his own dealership in a neighboring town. Again he set a winning pace. Success came. In 1941 Speedy and his staff sold four hundred new cars and trucks and over a thousand used cars. Then came the war and again Speedy was "off to the races."

Speedy joined the Army. Went first to Africa as a major of ordnance, then to Europe where they made him a full colonel at the fall of Berlin. If you ask Speedy about his war experience he'll tell you that the greatest race he ever saw was the vast American ordnance race across the Rhine and beyond. For his own part in it he got three battle stars, a bronze star, and his colonel's promotion.

Back home after 22 months overseas, Speedy will tell you his biggest thrill is to be back to the love of his life, automobiles. He tells you proudly that during his absence his organization gave expert wartime service to Dodge and Plymouth cars, and Dodge Trucks. A beautiful new salesroom of stone and glass (with a 90-foot show window) is now going up, and they're excavating for a big service addition. Ask Speedy about the future and he'll tell you, "We're doubling our facilities and we'll double our business when the new cars and trucks start rolling our way."

NOTE:
This is another true and typical story of individual initiative and productive enterprise, taken from the records of the Chrysler Corporation.



CHRYSLER CORPORATION
PLYMOUTH * DODGE * DE SOTO
CHRYSLER * DODGE Job-Rated TRUCKS

REMEMBER THURSDAY NIGHT! The Music of Andre Kostelanetz and the musical world's most popular stars—Thursday, CBS, 9 P. M., E. S. T.

KEEP ON BUYING VICTORY BONDS



How

DPI

research can serve you

Coating lenses in high vacuum, an important product of DPI research. Coating optical parts with extremely thin layers of metallic salts paradoxically increases their efficiency, facilitates the transmission of light, increases the brightness and clarity of the image. Originally developed for photographic equipment, the lens coater played an important role during the war, and has a greater part to play for manufacturers of lenses and electronic controls during the days ahead.

1. Expanding the knowledge of the vitamins

A major part of our business is the production of bland, stable vitamin A and E concentrates by high-vacuum distillation. Much of what is known about these vitamins today has originated in the research laboratories of DPI, and new information on their properties is constantly being accumulated here.

2. Exploring the production and use of high vacuum

Excursions into high-vacuum chemistry, involving vacuums that approach the total absence of air, have resulted in entirely new types of equipment. DPI's vacuum coating unit is just one example of such equipment, developed and perfected through high vacuum research for a specialized role in industry.

3. Pioneering in the use of molecular distillation

Many substances which have been hitherto undistillable, such as waxes, heavy oils, and fixed fats, yield valuable fractions when subjected to the DPI process of molecular distillation in high vacuum. One of the cornerstones of DPI research, this revolutionary new process is only beginning to demonstrate its tremendous possibilities.

We invite you to investigate. Interesting technical literature on advances in vacuum chemistry will be sent at your request.

DISTILLATION PRODUCTS, INC. *Pioneering High-Vacuum Research*

755 RIDGE ROAD WEST, ROCHESTER 13, NEW YORK

"Headquarters for Oil-Soluble Vitamins and High Vacuum Equipment"



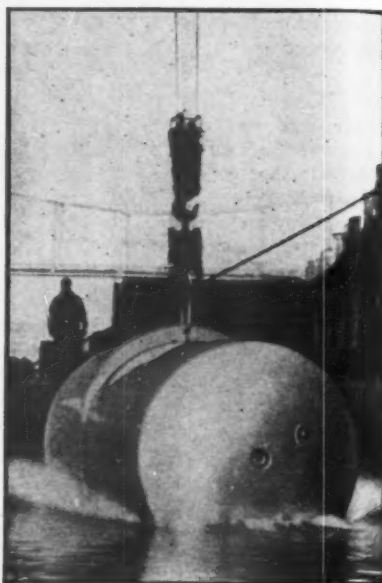
Copyright 1945, Distillation Products, Inc.

fuels of any desired characteristics were virtually unlimited.

• **Urges Better Airports**—A clinic on aircraft development found airport traffic congestion, inadequate lighting, and bad weather cited as the big current problems that must be solved for air transportation.

E. A. Cutrell of American Airlines suggested that airports install two automatic direction finder beacons, one 3,500 ft. and the other 4½ mi. from runway ends, which would guide air traffic in a prelanding pattern. Devices for improving instrument flying were discussed by John F. Gill of Eastern Air Lines.

Cutrell debunked promises that radar and electronics would make automatic landing of air transports a routine operation. Airlines will continue to make landings visually, he said, unless and until attention is concentrated upon air terminal approach and runway lighting installations from the viewpoint of the cockpit. Only Indianapolis and Newark, he said, have runway lights installed that are adequate for landings in all kinds of weather.



ORDEAL BY WATER

Near Pittsburgh, a mammoth storage can, one of those designed to preserve Army equipment (BW—Aug. 5 '45, p68), heads for the river—the Ohio—to demonstrate its watertight qualities. The big container, which is said to have passed the test with flying colors, can be tossed overboard in harbors where there are no dock facilities and towed to land by tugs—or just allowed to wash ashore.

Develop Gilsonite

Entry of new company into field presages development of a little-known mineral as a binder for plastics.

Use of the little known gilsonite deposits of Utah and Colorado as a binder for plastics, and its possible further employment in synthetic oil manufacture were forecast by the entry of Standard Oil Co. of California into the field. The formation of the American Gilsonite Co., owned equally by Standard of California and the original company—the Barber Asphalt Corp.—will serve to intensify development of the gilsonite deposits.

• **Acid Resistant**—Clarence F. Hansen, formerly chief engineer in Standard's manufacturing department, will be president of the new concern.

The only known deposits of gilsonite in the U. S. are being developed at Bonanza, Utah, and being trucked 95 miles to Craig, Colo., for shipment. The product, a bright, black hydrocarbon resembling glossy asphalt, is closely related to petroleum. Previous to the war it was used in the manufacture of storage batteries, due to its resistance to acid. Its high melting point also makes gilsonite a desirable product for use in foundry forms.

It has also been used generally in paints, varnishes, inks, and lacquers, but in the war it was found to be a satisfactory binder ingredient with possibilities in plastics, and as a possible source of synthetic oil.

The mineral, in veins as wide as 18 ft., extends for miles at a depth of only about 1,000 ft., often outcropping to the surface. Since it occurs in almost pure form, mining is cheap. Transportation costs can be reduced by remedying the long, bad-road haul by truck. The state of Utah has already approved road assistance, with a new road, 26 mi. from Bonanza to U. S. Highway 40, at a cost of \$125,000.

• **Disastrous Fire**—Standard's entry into the field came after a disastrous fire in November swept all of the workings of the Barber Asphalt Corp., practically wiped out the company-owned town of Bonanza, and halted operations on the property after nearly a decade of activity on a modest scale.

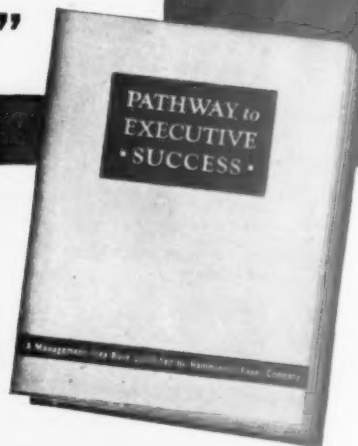
Uintah County in eastern Utah also contains deposits of almost pure asphaltum, which already has been used in the construction of roads and sidewalks. As a result, these deposits have already been developed and a mild oil boom in the territory has also occurred.



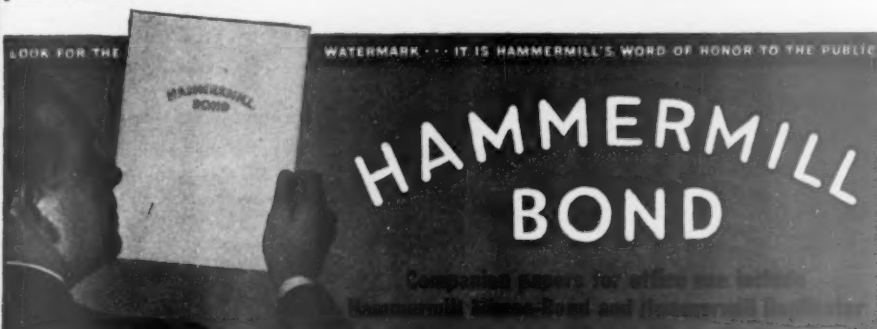
**"Back only 2 months...
but we'll soon make him
a supervisor!"**

**Help your returned servicemen
carry more of your load...
SEND FOR THIS FREE BOOK**

"I honestly think one big reason why Jim is ready to take over this department is that little Hammermill book we asked him to read. He's worked on a plan ever since." The book Jim read is called "Pathway to Executive Success." It will help your returning service people see their jobs in relation to the company's broader needs, fit themselves for the more responsible work you'd like them to handle. A real "show how" book. Send the coupon for a free copy. Read it—we believe you'll find it helpful to pass around.



It's helpful also to know that your letterheads and forms are on the paper **MADE** for business use—Hammermill Bond—improved since war's end in color and quality. Coupon below will bring you the sample book of new Hammermill Bond.



Hammermill Paper Company, 1455 East Lake Road, Erie, Pa.

Please send me—FREE—"Pathway to Executive Success." and include the sample book of new Hammermill Bond.

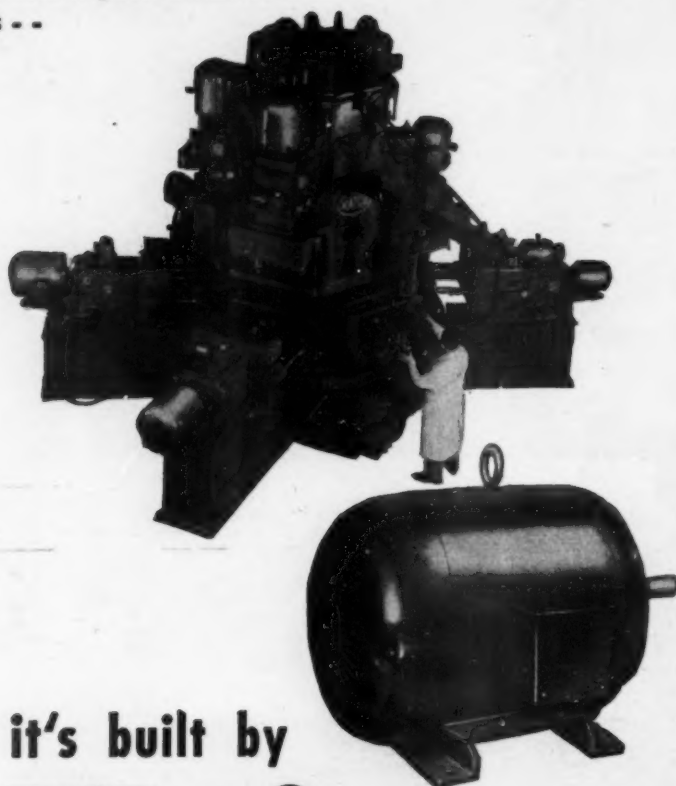
Name _____

Position _____

(Please write on, or attach to, your business letterhead)

B. W. 1-18

Where motor performance
counts - -



If it's built by **Wagner** - - it's dependable

If you were to walk through one of the leading automobile factories you probably would see the mass-production machine illustrated above.

The machine has a total of 12 electric motors—and all 12 are Wagner totally-enclosed fan-cooled type CP motors. In a machine of this type, if one motor were to fail, the entire machine would be shut down. That's why Wagner type CP motors were specified—because of their reputation for dependability in the presence of metallic dust, corrosive fumes, oil, or moisture.

The Wagner CP is but one of

many types of Wagner motors well known for their dependability and long life.

The long-established reputation for dependability also applies to other Wagner products which include transformers, unit substations, industrial brakes, air brakes, hydraulic brakes CoMaX brake lining, NoRoL, and Tachographs (recording speedometers.)

If you need electric motors, or other Wagner products, consult the nearest of Wagner's 29 branch offices, each manned by trained field engineers.



Wagner Electric Corporation

ESTABLISHED 1891

6460 Plymouth Avenue • St. Louis 14, Mo., U. S. A.

In Canada: Wagner Electric at Leaside, Ontario

ELECTRICAL AND AUTOMOTIVE PRODUCTS

New Wallpaper

Varlon, made with synthetic resin, is described by United as "stainproof." It will sell by square foot at premium price.

United Wallpaper, Inc., Chicago, was one of the leaders a few years ago in developing washable wallpaper. This week United recanted its more extravagant praises of that improved product of the long ago, announced that it has now developed something even better. This gilded lily is a wall covering which by all previous standards of the industry—except perhaps that portion which went in for oil-cloth types—is strictly impermeable. Described as "stainproof," the new paper is called Varlon. • **Synthetic Resin Used**—Wartime restrictions limited wallpaper output to 60% of 1941 production. Varlon is one of the first postwar bids for new business. It comes hot on the heels of an OPA price rise granted Jan. 1 on raw paper stock that wallpaper factories process into wall decoration.

United's announcement urged that Varlon not "be confused with wallpaper." But to the trade it is a super-wallpaper. Principal difference: Varlon is made with a liberal component of a synthetic resin which can more accurately be described as "built into" the paper than impregnating it.

United says its tests have shown that ordinary soap and water will remove from Varlon lipstick, grease crayon, ink, even hot Crisco—and never faze the surface. It resists these and many other stains that will not come off of old-style washable wallpaper. Reasons: Stains do not penetrate the paper.

• **Sold by Square Foot**—Ordinary washable wallpaper normally is tested by wetting a sponge and gauze with a 10% soap solution, passing it over the paper for a total of 50 to 100 motor-driven revolutions. Varlon has been tested to 25,000 revolutions without shining the surface, and its makers are sure it would take 100,000 to 200,000 revolutions.

If ink or other pigmented liquid is applied at a seam of wallpaper that is merely surfaced with synthetic resin or other impermeable coating, the stain will travel laterally beneath the surface of the paper and show through—with Varlon it won't.

Another difference: Varlon will be packaged in rolls like wall paper, but will be sold by the square foot, for higher prices than good grade wallpaper. But United counts on sales to business and public offices, for decorating halls, foyers, and the like. It doesn't

expect a big volume on home sales.
New Subsidiary—United has formed Varlon, Inc., to make the new product. It will be produced at an Aurora (Ill.) plant which United bought just before the war, but which so far has produced only U.S. ordnance materiel. United thinks its presses will be rolling in time for first Varlon deliveries to the trade by July.

Since Varlon needs a special adhesive to make it stay on the wall, United thinks it may be forced into the paste manufacturing business. This operation, despite the firm's disclaimers, would mesh nicely with the making of Trimz, another product of a United subsidiary. Trimz owes its popularity and lack of major competition to its patented adhesive formula. This dries slowly enough to allow the faltering amateur to take it off and put it back the way it belongs, even quite a time after the paper is first hung. Housewives doubling for the all-too-scarce decorator nowadays love this feature.

Fiberglas Misused

Despite maker's warnings and without its knowledge, surplus flare-shade material is used as lining for wearing apparel.

The Owens-Corning Fiberglas Corp. of Toledo, maker of Fiberglas—trade name for the fine pliable glass fibers which can be woven into fabrics or fabricated into bats and boards—has just had a demonstration of how the indiscriminate use of surplus material can backfire.

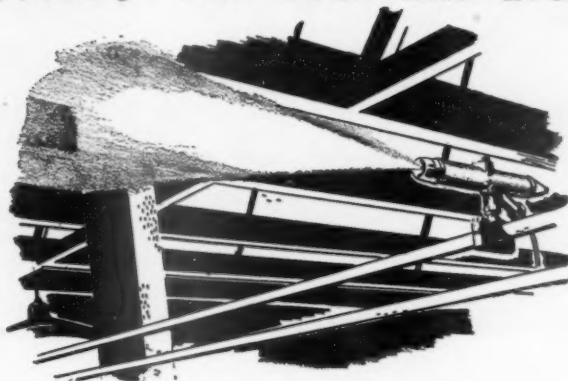
The experience was bitter, particularly since the corporation has worked hard and long to protect its 13-year-old brainchild from the kind of company it should never keep.

• **Jolting News**—The corporation, like the American public, first realized that there was something amiss with its teen-aged wonder product last month, when the U. S. Public Health Service reported complaints of skin irritation from buyers of women's and babies' garments lined with glass cloth.

For Owens-Corning, it was jolting news. Not because there were complaints of skin irritation—it has consistently warned against that very possibility if its product is used improperly—but because the glass cloth ever found its way into those linings. Normally, the corporation maintains control of its glass cloth from raw material to finished product.

• **Normal Channels**—Fiberglas is made in any one of the corporation's three

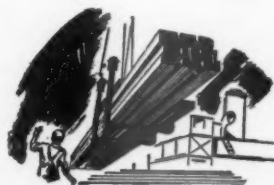
Mist FOR GOOD AND EVIL



Mist, sprayed in process plants requiring high humidity, is vital to the quality of many products. But, it raises havoc with the wood structures. And steam and chemical-laden vapors in wet process plants cause ordinary lumber to go to pieces in a hurry.

Wolmanized Lumber*, wood that's impregnated with Wolman Salts* preservative, is highly resistant to the decay that inevitably develops in these humid atmospheres. Fibre-fixation prevents its washing out or leaching, assures added years of service life.

The Advantages of Building with Wood



Building with wood means ease and speed of erection, light weight, resilience, high insulating value, paintability, low first cost and . . . when Wolmanized . . . long life.

**AMERICAN LUMBER
&
TREATING COMPANY**

*Registered
trademarks

FLAMEPROOFING

WOLMANIZING

CREOSOTING



ASSEMBLY-LINE NEWS FROM STUDEBAKER

Even the conveyors are new on the shining Studebaker assembly line where 1946 cars are rolling after a 13-week halt caused by labor troubles of a parts supplier. The company is especially proud of the "doll-up" line, where the autos get their final polish. Flush with the floor, the four conveyors permit easy removal of a car without a crane, have no projections to imperil workers. The conveyors, totaling more than 1,000 ft., consist of 12-in. steel plates, $\frac{3}{8}$ in. thick. Powered by 10-hp. motors under the floor, the completed installation is to have remote-control switches to regulate speed. With 8,000 employees back at the South Bend plant, Studebaker's goal is 400 cars daily.

plants (Ashton, R. I., Huntington, Pa., Newark, Ohio), sent to a contract weaver for fabrication into cloth, then forwarded to the corporation's manufacturing control and distribution center at Burlington, N. J., where technicians inspect the cloth to see that it measures up to specifications. As orders come in, the cloth is shipped to various contractors and subcontractors who make the end products—decorative fabrics, shower curtains, electrical insulation, chemical filter cloths, plastics reinforcement, pipe covering, acoustical items, and so on.

But—and this is an all-important but—before it will allow its trade name to be used in connection with the cloth, Owens-Corning insists on knowing the end use to which its cloth is to be put. If the answer is garment linings, hosiery, or something similarly unsuitable, the glass cloth will not be supplied.

• **From the Government**—In the case investigated by public health officials, the glass cloth had been purchased as surplus from the government by a couple of jobbers, who sold it to a garment manufacturer in New York City. The cloth was used for linings in women's sports clothing and babies' coats and sold to a dealer in Atlanta.

USPHS won't disclose the manufacturer's name, although it states that he took a \$25,000 licking through recall of

the garments and reinsertion of other linings.

Owens-Corning also declines to give the manufacturer's name. But it is ready enough to explain that the cloth that caused the trouble was originally woven to make parachute shields for magnesium flares.

• **Company's Presentation**—Through half-page advertisements in *Women's Wear Daily*, Owens-Corning has formally presented its side of the story:

"By pointing out that the fabric was not intended for use in clothing, the U. S. Public Health Service correctly implies that glass cloth of the type bought is not suitable for use in wearing apparel."

The material, the advertisement continued, was well known to be not suited to the use to which it was put "without consultation with the material manufacturer concerning the purpose for which the fabric was designed."

By way of showing how harmless Fiberglas can be when it is used properly, and when it is made to order for a specific job, Owens-Corning called attention to its product's medical applications, which include surgical sutures, tracer threads in surgical sponges, and filters for blood plasma.

• **"Chemically Stable"**—The corporation thus concludes, as it has time and

again, that Fiberglas is a "chemically stable substance that produces no harmful effect upon human tissue."

Recognizing this fact, the Public Health Service report declared that the skin condition complained about was "not a disease but rather a mechanical irritation caused by the suit lining." A few years ago, a USPHS industrial hygiene engineer stated that glass fibers were "no more injurious than the hair clippings that get stuck inside a person's shirt collar when he has a hair cut."

Owens-Corning is gaining what sales it can from the belief that little, if any, of the troublesome flare-shade material remains in surplus war production inventories.

CENTRIFUGAL TESTING

In a subterranean chamber lined with 25,000 lb. of laminated steel and wood absorption rings, backed up by a 12-in. steel shell and a 4-ft. wall of reinforced concrete, Alcoa's Cleveland Works' engineers employ centrifugal force to test aluminum castings and forgings to distortion and destruction. While the idea of centrifugal testing is not new, the technique of confining that force within an armored "Whirl Pit" marks a step forward in aluminum testing procedures.

Before a part is tested, it is coated with a brittle lacquer which cracks and separates as the metal stretches and thus shows the location, magnitude, and direction of the distortion. Using this information, engineers redesign to eliminate weaknesses.

When a casting or forging is being tested to destruction, the flying pieces are safely confined within the pit. In one test, a 13 $\frac{1}{4}$ -in. impeller was whirled at 25,500 r.p.m.—1,475 ft. a second—and, when it burst, the flying pieces traveled faster than a .45-caliber pistol bullet.

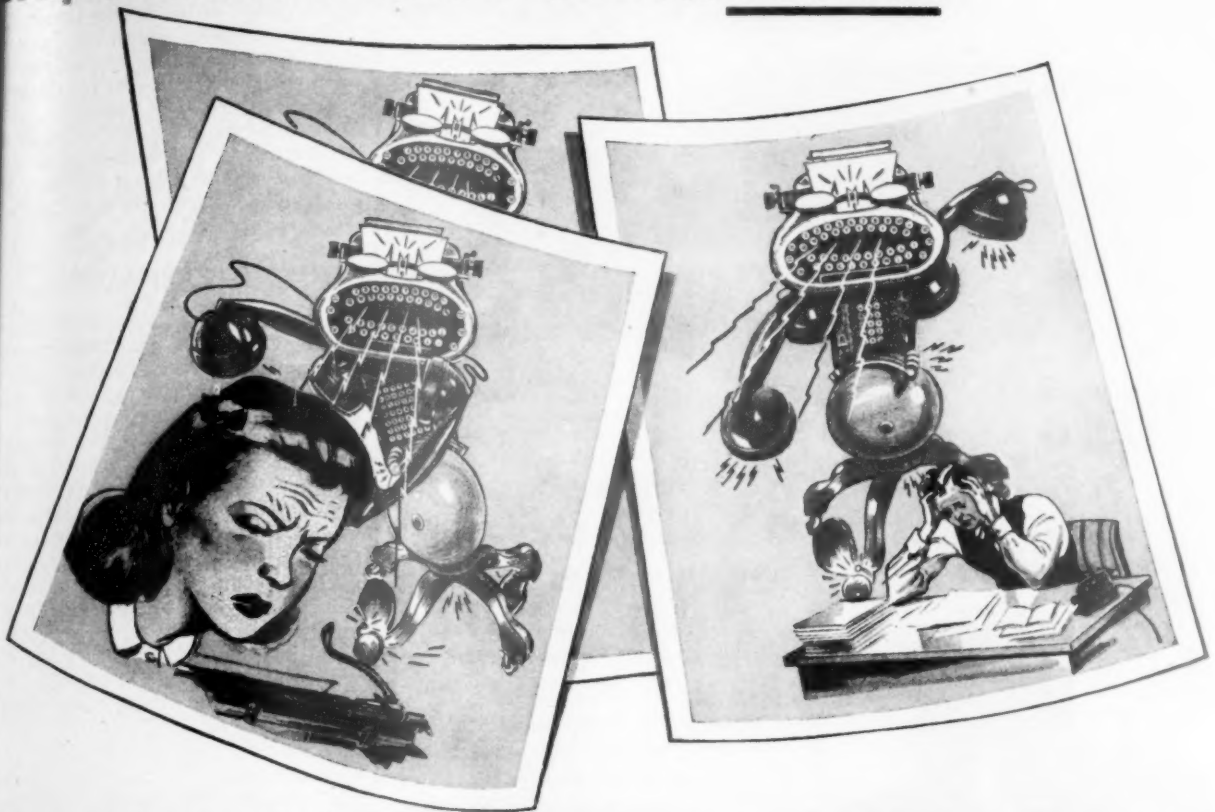
To reduce the power required to whirl parts at high speed, a partial vacuum is established in the pit.

COLOR MICROSCOPY

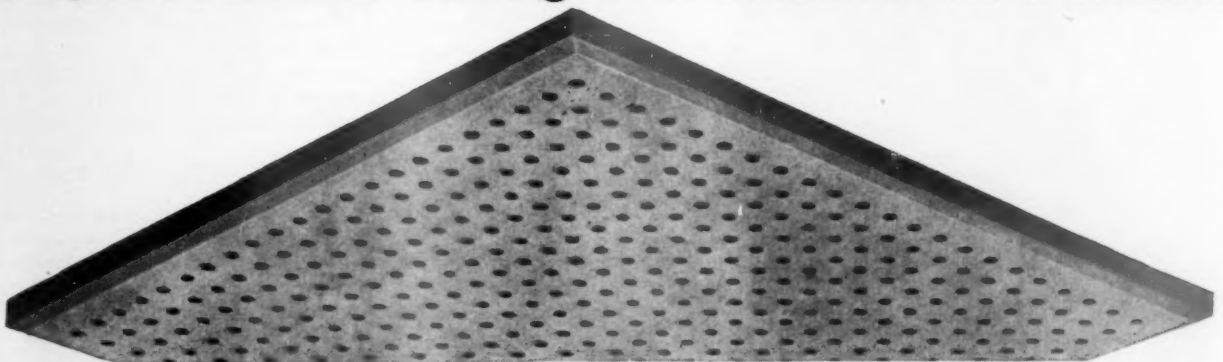
Rivalling the electron microscope in its ability to reveal information about particles too small to register on an optical microscope, a technique developed by E. I. du Pont de Nemours & Co., Wilmington, Del., measures particles only two-millionths of an inch in diameter. The particles are suspended in a liquid, and light of different colors is passed through the suspension. The amount of light of each color which emerges is measured.

Particles of different size permit the colors to pass to different degrees, per-

Snapshots of a Noise Demon at work



Snapshot of the ceiling that ends Noise Demons




It's Armstrong's Cushiontone*

Both You and Your Employees suffer when noise demons are at work in your office. These shrill pests are born in the din of clattering footsteps, office machines, bells, and loud voices. Their nerve-racking clamor prevents concentration, causes fatigue and errors.

That's why so many businesses

today are installing Armstrong's Cushiontone—the economical ceiling that traps noise demons. The 484 deep holes in each 12" square of this fibrous material absorb up to 75% of all noise that strikes the ceiling. Cushion-

tone also is a good light reflector and can be repainted without loss of acoustical efficiency.

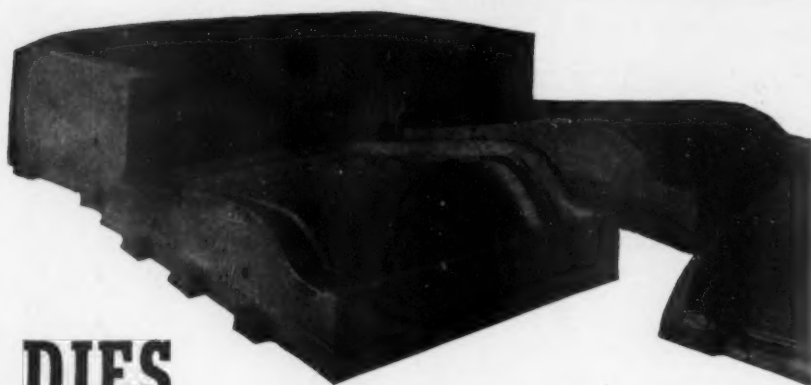
Write for Free Booklet that gives all the facts. Armstrong Cork Company, 3001 Stevens Street, Lancaster, Penna. 



* Reg. U. S. Pat. Off.

MADE BY THE MAKERS OF ARMSTRONG'S LINOLEUM AND ASPHALT TILE

ONE OF CECOSTAMP'S ADVANTAGES OVER PRE-WAR PRACTICE:



DIES AS BIG AS THESE ARE CAST!

Photos
Courtesy
ACF-Brill
Motors Company



INEXPENSIVE, easily made and salvageable dies are only one of the many advantages that characterize the CECOSTAMP, a remarkable impact type stamp that offers entirely new production methods to the manufacturer of products involving sheet metal parts of high strength and low ductility. No matter how springy or resilient the sheet may be, a blow from the CECOSTAMP will result in a permanent set.

For moderate runs or for finishing operations on long runs, the CECOSTAMP is being installed in many of the country's important sheet metal shops.

*Write for
Bulletin*

CHAMBERSBURG ENGINEERING CO.
Chambersburg Pennsylvania

CECOSTAMP

mitting calculation of the average size of the suspended particles and the relative amounts of each size present.

With relatively simple equipment, nontechnical personnel are said to be able to make determinations in the relatively short time of two hours.

Useful where it is important to know the magnitude and uniformity of particle size as in studies of pigments for paints the new technique is said to have varied applications.

SYNTHETIC CARNAUBA

Allied technical teams which began probing German industrial and research developments even before the collapse of Nazi resistance have come forth with few startling discoveries up to now.

Last week, however, the American wax and polish industry figured it had one such development worth exploiting—synthetic carnauba wax. Principal source of natural carnauba wax is the Brazilian wax palm. The substance is used in manufacture of floor wax and polishes, carbon paper, leather finishes, candles, and other products. A recent use is in the preservation of fruit. The synthetic is said to be equal to the natural product for many uses, superior for some purposes.

While there is no shortage of the natural product, the Civilian Production Administration's industry advisory committee on waxes and polishes unanimously asked CPA to assist in fostering synthetic production, utilizing I. G. Farbenindustrie patents. Manufacture in both the United States and Europe was discussed. German plants were reported to have large stocks of material on hand and are ready to operate.

SUIT HERALDS FLEXCAN

Legal necessity last week forced Reynolds Metals Co. to reveal one of its projected peacetime products—the "Flexcan," a heavy aluminum foil package that can be hermetically sealed.

The revelation was made when Reynolds filed suit in federal court in Richmond, Va., seeking control of the "Flexcan" invention. Reynolds charged that Neal Ingeman Paulsen, who has applied for patents on improvements in the design and construction of the container, actually was employed by the company, and that terms of his contract obligated him to turn over to Reynolds "entire title and interest in all inventions and improvements conceived . . . during working hours or on the premises of the employer."

The new container admittedly is far from being ready for market. Reynolds is not in production, and packaging machinery still must be perfected.

Salute to AMERICAN INDUSTRY

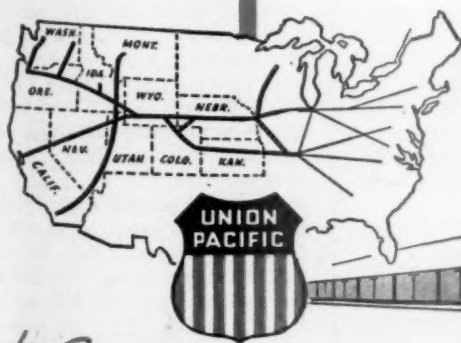
During 1944-45, Union Pacific paid tribute to American industry on its radio program "Your America", broadcast each week over a nation-wide network. Representatives of 70 major industries were given the opportunity to present the dramatic story of their respective industry's contribution to the welfare of the nation.

Union Pacific—along with other railroads—was then engaged in moving vital wartime materials. Industry and the nation generally knows what a tremendous task that was and how efficiently it was accomplished.

Today, Union Pacific is prepared to continue its assistance to industry by speeding the distribution of peacetime commodities. Equipment, facilities and personnel are geared to provide unexcelled service.

A staff of trained traffic men stand ready at all times to cooperate with shippers.

For fast, dependable freight and passenger service



*Be Specific—
say "Union Pacific"*

★ Union Pacific will, upon request, furnish information about available industrial and mercantile sites in the territory it serves. Address Union Pacific Railroad, Omaha, Nebraska.



The Progressive

UNION PACIFIC RAILROAD

The Strategic Middle Route

NEW PRODUCTS

Self-Feed Solder Iron

When the trigger is squeezed, a measured amount of wire solder is fed through a metal guide to the tip of the new Eject-O-Matic Electric Soldering Iron from a reel contained in the plastic pistol-grip handle. A knurled micrometer adjusting wheel in the handle of this iron developed by Multi-Products Tool Co., 123 Sussex Ave., Newark, N. J., controls the length of the ejection stroke, and a retracting device is said to pull the solder back before an excessive amount of it melts.

Lightweight and balanced to reduce operator fatigue, the iron is supported on a stand when not in use or when the operator needs both hands to position the work. Metal fins ahead of the handle aircool the shank.

The iron is particularly suited to light work, as in radio, telegraph, telephone, and ignition assembly, and repair and tinkering in the home workshop.

Handy Projector

To help salesmen put their information across, Technical Service, Inc., 693 Monroe St., Detroit, has developed a new automatic, 16-mm., sound-on-film projector weighing 40 lb. and contained in a carrying case—complete with amplifier, speaker, and screen—and usable in lighted rooms. Placed on a table or desk, the case is opened, the screen snapped into place, the power cord plugged into a 25- or 60-cycle a.c. or d.c. outlet, and



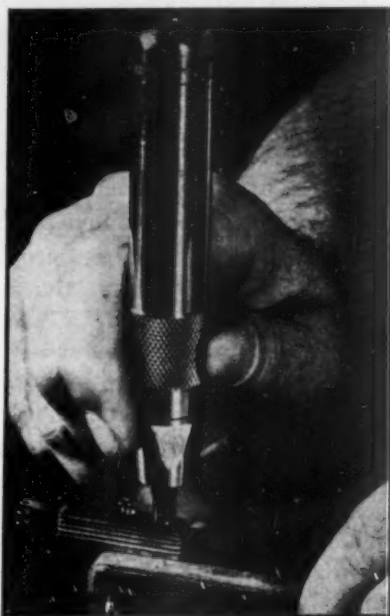
the show is ready to go on in five minutes with little confusion in the prospect's office, it is claimed. Being threaded on a continuous magazine of new design, the film is said to be always ready. And after the machine is started, the salesman can sit with his prospect.

Audiences of 1 to 35 people are said to be accommodated, adapting the pro-

jector to use in schools, churches, museums, and other public places, as well as in offices, homes, and hospitals.

Midget Power Screw Driver

About the size and shape of a cigar, the new chrome-finished Midget Pneumatic Screw Driver of the Aro Equipment Corp., Bryan, Ohio, is said to be



the first power tool designed specifically for driving small No. 1 to 6 screws. It weighs only 8 oz., is 4 $\frac{1}{4}$ in. long and $\frac{3}{4}$ in. in diameter. Having no manual throttle, it starts when applied to the work and is designed to adjust itself to the driving condition.

The motor is a rotary type with four blades, operating on ball bearings in a hardened and ground steel cylinder. Finder and bits are said to be interchanged easily for different sizes of screws, and the tool is available with an adapter socket for setting small nuts.

In tests by manufacturers of radios, cameras, electronic instruments, electrical appliances, and other small-parts products, the tool is claimed to have shortened assembly time.

Nonmetallic Magnet

A new lightweight, nonmetallic Vectolite Permanent Magnet has been developed by the General Electric Co., Schenectady 5, N. Y., for application in places where metallic magnets have not been entirely suitable. It can be

used in the high frequency magnetic fields of electronic and electrical equipment with little eddy current loss and without impairment of its magnetic strength, it is claimed. Another application is in highly sensitive aircraft meters and similar instruments.

Made of iron oxide and cobalt oxide, mixed together in powder form and sintered and hardened to form a solid, the material is said to be highly resistant to the flow of electric current.

Coated Metal Sheets

In the two years since it acquired the Plastipitch Process for protectively coating flat, corrugated, or V-crimp metal sheets (BW-Jul.18'42,p66), Koppers Co., Inc., Koppers Bldg., Pittsburgh, is said to have improved the method and is now putting the pitch-protected sheets on the market. The improved material is claimed to be weatherproof, resistant to corrosion by salt air or chemical fumes, and tough and elastic enough to withstand bending and to hold up under high or low atmospheric temperatures.

While its largest potential application is in roofing and siding, the coated sheet is said to be suitable for gutters, ventilators, flashings, ducts, and other fabricated shapes. The sheets can be fabricated without special equipment.

THINGS TO COME

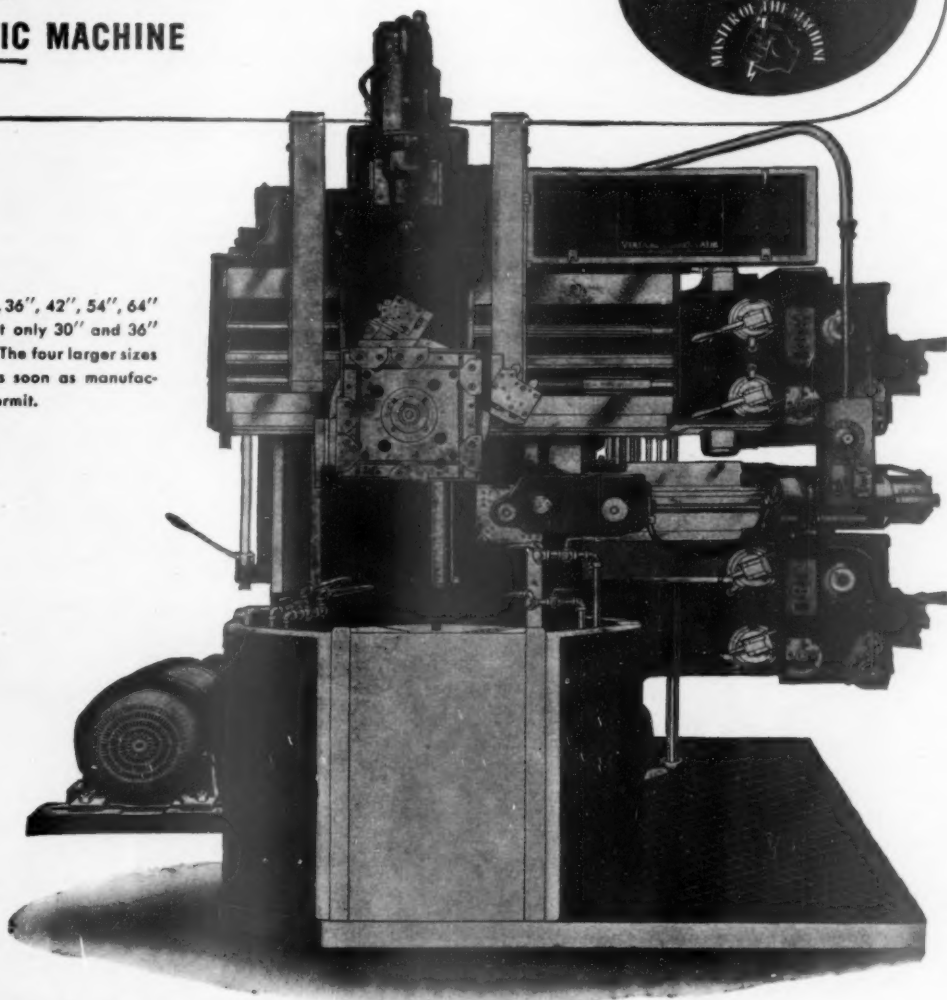
New burners for the electric ranges and gas ranges of the future are emerging almost simultaneously from their respective development laboratories. The gas burner, which will draw all the air it needs for combustion through an adjustable shutter, will require no space between its flame and a cooking utensil, hence promises to effect speedy cooking with high fuel efficiency.

The electric burner, the heating element of which will be imbedded in a smooth, heat-conductive cement, promises to achieve peak cooking temperatures within about 40 seconds. Means for the speedy achievement will be a thermostatically controlled "super-charger" that will let in four or more times normal cooking current for a few moments and then choke back automatically to suitable wattage ranging from 250 w. for slow boiling to 1,200 w. for agitated boiling. Like the gaseous newcomer, the electric burner will operate without any air space between heater and heated.

**ONLY A BULLARD MAN-AU-TROL V.T.L.
 ALLOWS MANUAL OPERATION
 OF AN AUTOMATIC MACHINE**



Machine sizes: 30", 36", 42", 54", 64" and 74". At present only 30" and 36" sizes are available. The four larger sizes will be available as soon as manufacturing conditions permit.



... because MAN-AU-TROL is

the automatic control that is as versatile as manual control

When you decide to buy a Bullard MAN-AU-TROL V.T.L., your chief reason will be that you want all the benefits of an automatic lathe *plus* all the versatility of a manually-operated machine.

To these benefits, add another. Suppose you have your MAN-AU-TROL V.T.L. all set up for automatic production of a piece with Bullard standard-type tooling. Along comes a rush job for one piece of an entirely different kind. The chances are that you will find it profitable to change the

tool set up for manual operation on this one piece... without, of course, disturbing the automatic cycle. When that one-piece job is finished, you quickly reset your tooling by means of gauges, and before you know it, the machine is back on the production run with the automatic cycle.

Other benefits you will get from the Bullard MAN-AU-TROL V.T.L. are fully described in Bulletin MAV-G-1. Write today. The Bullard Company, Bridgeport 2, Conn.

BULLARD CREATES *NEW METHODS* TO MAKE MACHINES DO MORE

Diebold Annexes York's Line

No. 3 producer of safes and vaults takes over related business of larger competitor, which retains plants and goes into new field. Move results from Ness' expansion and diversification plans.

The safe and vault industry traditionally is a dignified, imperturbable business. Its sensations are muted, and its reactions, like its products, are ponderous. But safe and vault men, this week, were as close to getting excited as they have been for a couple of generations.

• **Taking Over**—The occasion was the announcement, on Jan. 3, that Diebold, Inc., of Canton, Ohio, was taking over all the safe and vault business of the York Safe & Lock Co. (York, Pa.). Before the war, Diebold was the third largest producer in the field, York the second. The acquisition of York's business now puts Diebold within fair shooting distance of the top spot in the industry, a position long held by the Mosler Safe Co., Hamilton, Ohio.

Mergers and combinations are nothing new in safes and vaults—the industry has been consolidating slowly for years—but the Diebold-York deal is unusual in several respects.

• **Company Survives**—Diebold is taking over all York's patents, tools, service contracts, and orders. It is also incorporating all York's sales branches into its own selling organization, which now consists of some 35 branches. The name, York Safe & Lock, is thrown in for good measure, but the York company itself will remain a separate and independent corporation.

Changing its name to York Industries, Inc., it will retain its plants and concentrate on making machinery for the plastics industry and microfilming equipment, a sideline that it began to explore some time ago.

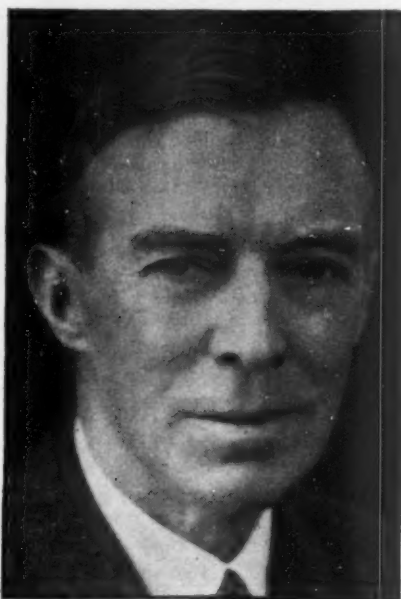
• **Ness' Project**—The motive power for the combination came from Diebold's hard-driving board chairman, Eliot Ness. A one-time prohibition agent, later director of safety in Cleveland, Ness came to Diebold in 1944 representing Mrs. Ralph K. Rex and her daughter, who own 38% of the stock, the largest single block.

He found the company sound but befuddled. Diebold had started in Cincinnati in 1859, moved to Canton in 1872. For the better part of 80 years, it had rocked along with the safe and vault industry, which is an up-and-down sort of thing—with the downs consider-

ably outnumbering the ups in the period just before the war.

• **Government Orders**—The defense program—and later the war—practically stood the industry on its head. Safe and vault manufacturers were used to doing precision work, and to handling hardened steels, hence were ready almost at once to turn to armament. Government orders deluged them. Diebold, which had been doing about \$3 million worth of business a year, found itself grossing \$40 million in 1942.

The impact left the company a little dazed. When military orders began to taper off, the officers and directors could not agree on plans for reconversion.



At this point, the Rex interests installed Ness as chairman.

• **Diversification**—Under Ness, Diebold is making an energetic drive to expand and diversify its business. Diversification really began before the war when Diebold branched out into a line of record-keeping and indexing systems, but Ness is putting new steam behind it, and expects to add a considerable number of other items to the company's list before he pauses.

When things shake down, the safe and vault business probably won't account for more than 40% of Diebold's volume. Before the war, it was practically the whole thing. Besides safes and vaults, the company now sells "Cardineer" rotary files, "Tra-Dex" vertical visible files, "Flex-Site" visible binders, and "Safe-T-Stak" steel filing cases.

• **Including Doors**—It is taking orders now for a new line of microfilm equipment, and it hopes to do a big business in low-cost metal doors for offices and residences. Altogether, officials hope that its annual volume will run at least two-and-a-half to three times what it was before the war.

The acquisition of York's business



PRUDENTIAL DOES SOME SHIFTING

Out, then in again, 68-year-old Franklin D'Olier (left) retired last week as president of Prudential Insurance Co. of America, came right back as chairman of the board—as predicted (BW—Nov. 10 '45, p85). D'Olier, being boosted as a likely compromise candidate against the Hague Machine in New Jersey's next gubernatorial contest, was forced out with 249 other Prudential employees when the company dropped its mandatory retirement age from 70 to 65. In his newly created post, he'll act as adviser. Into the presidential spot goes Carol M. Shanks (right), who has been with Prudential since 1932, served as acting head while D'Olier surveyed bomb damage overseas for the government.

Ursula Parrott's writing is charged with emotion . . .



. . . prize moment to push

your products, Hormel!

THAT look of wide-eyed wonder tells you she's emotional. She's young — spontaneous — impulsive.

And she's giving her emotions free rein as she reads the fascinating fiction of Ursula Parrott — one of the many literary lights that sparkle in *Cosmopolitan Magazine*.

Cosmopolitan is preferred by so many young, impulsive people. Every

issue is crammed with great writing.

And great writing makes great reading. It stirs feelings—sways opinions. It intensifies the desire to share in the rewards of modern living.

In this mood, she's yours, Hormel! So introduce your ready-to-serve Hormel's Milk-Fed Chicken. Hint at the pleasure in a plateful of Hormel's Chili Con Carne. Display all those

recipes for Spam — the wonder-food that's Hormel's help to every hostess.

She's been through the sophisticated world of Ursula Parrott. She's been stimulated by the stories of Louis Bromfield, Faith Baldwin and all the other *Cosmopolitan* writers.

She'll listen, Hormel! For, emotion makes wars. Emotion makes marriages. And yes, emotion makes SALES!

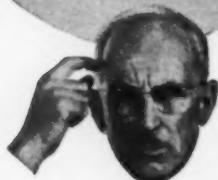
Cosmopolitan

GREAT WRITING MAKES GREAT READING

Emotion makes Wars ✓
Emotion makes Marriages ✓
Emotion makes Sales ✓

PLAIN TALK ABOUT PLASTICS

"should I use plastics?"



That question thousands of manufacturers . . . maybe you . . . are asking today.

There's just one answer . . . "Yes, if you know how." And the best place to go for "know how" is a plastics expert . . . in fact, Monsanto goes one step further and says, *ten* plastics experts.

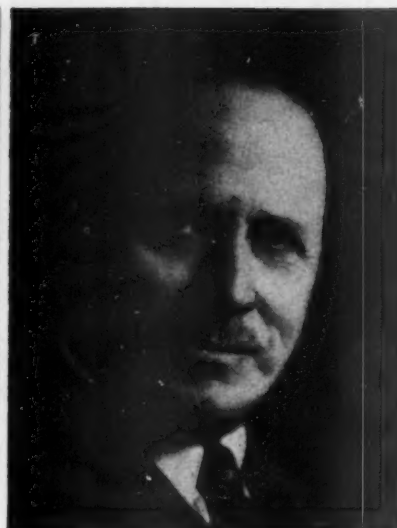
Because your plastics problem . . . whether it relates to materials, methods, costs, design, performance, sources of supply, or something else . . . receives at Monsanto the best thinking of ten picked experts, each one a specialist in a different, major phase of plastics practice.

If you can't use plastics advantageously, this group . . . Monsanto Plastics Technical Council . . . will tell you, frankly. But, if plastics can give you better performance for your product, or lower costs, or improved saleability, the Council will tell you what plastic to use, how to use it—in a comprehensive report you can go to work with.

You are invited to use this Council freely . . . for plastics problems large or small. A letter outlining your questions will be sufficient. Or if you want more information, first, or data on a specific Monsanto plastic, address: MONSANTO CHEMICAL COMPANY, Plastics Division, Springfield 2, Massachusetts.

MONSANTO
PLASTICS

IMPROVING INDUSTRIES . . . WHICH SERVE MANKIND



METALS MEN PROBE FINANCIAL VEIN

With the acquisition of two metals experts—Philip D. Wilson (left) and Samuel W. Anderson (right)—Lehman Brothers, one of New York's oldest banking houses, indicates it may investigate more fully mineral and industrial fields. Wilson, former WPB vice-chairman for metals and minerals and recently with Baker & Co., precious metals dealer, has had experience from Siam to Africa, will handle mineral development. Anderson, WPB program vice-chairman, for two years in charge of construction of government aluminum and magnesium plants, will be senior executive for industrial operations.

fits neatly into Ness' expansion scheme. Most of the troubles of the safe and vault business trace back to inadequate volume. Unit costs run high unless they can be spread over a fairly big output, and besides that, manufacturers have to maintain an elaborate sales and service staff that eats its head off if it doesn't have enough work to keep busy.

During the war, York and Diebold alike were snowed under with military work. York let its sales organization unwind, but Diebold kept a staff to handle its office service lines.

• **Change of Control**—Also during the war, York's old management sold out to a new group headed by two brothers, Harry and Louis Levine, who control Commonwealth Plastics, a New England company. In buying, the Levines had an eye on the possibility of using York's plants to make plastics machinery, but they intended at the time to keep on with the safe and vault business.

When the reconversion scramble began, York found itself with a nasty problem. To stand any chance in the safe and vault business, it would have to rebuild its sales and service organization. But the income record of safe and vault production was not alluring.

• **Then Came Ness**—At this psychological moment, Ness offered to buy out

the safe and vault business, leaving York its other lines—principally plastics machinery and microfilm equipment. The terms of the sale count as a trade secret, but they are generally considered a good bargain for Diebold.

By keeping its microfilm business, York gives an odd twist to the deal. Since Diebold also is pushing a line of microfilm equipment, the two companies sooner or later may find themselves back in competition with each other.

• **"Flofilm"**—Diebold has exclusive rights on the "Flofilm" process, a product of the Pratt & Gray Co., Inc., Norwalk, Conn. Company officials think that by stressing such selling points as simplicity and the fact that the film can be developed on the spot they can give older microfilm producers a run for their money.

York, through its subsidiary York Microstat Corp., is working on the new camera, invented some time ago by Elgin Fassel (BW—Feb. 26 '44, p. 76), which is designed to take pictures of both sides of a document simultaneously. Both companies face tough competition from such established microfilm companies as Eastman's Recordak Corp., which now does the lion's share of the microfilm business.

Second Issue

Kaiser-Frazer will offer 800,000 shares of common, and it expects better terms than got last autumn.

It takes plenty of cash to become an automobile manufacturer, and this is being proved just now by Kaiser-Frazer Corp., Henry J. Kaiser's venture into the automobile field.

Second in Four Months—Although the company probably won't get into quantity production until mid-spring and already has sold over \$20 million of stock, it is embarking on its second substantial public financing program within four months. Last week it registered with the Securities & Exchange Commission 1,800,000 additional shares of common stock.

As in the earlier negotiated-type financing, Cleveland's Otis & Co., one of the leading exponents of competitive bidding in selling new securities (BW—Jun. 23 '45, p. 70), will again be a leading member of the investment banking syndicate handling the offering.

Better Terms—Kaiser-Frazer offering will receive much better terms this time than it did in the original successful offering (BW—Oct. 6 '45, p. 76). Although the amount of stock is 100,000 shares larger, the banking syndicate is expected to offer it at approximately the \$15 market level at which the shares have been selling recently over the counter. Last October the stock issue sold at \$10.

The syndicate's charge for handling the deal will be less, or 90¢ a share compared with the previous \$1.10 selling commission. The company anticipates more than \$25 million from the new issue, or a net of around \$14 a share.

Expansion Planned—Proceeds will be added to the approximately \$19,500,000 of cash the company has on hand. It contemplates expending about \$7,500,000 for machinery and equipment at the Willow Run plant it leases jointly with Graham-Paige Motors Corp. from the government. About \$4 million is expected to be spent on equipping its proposed Pacific assembly plant, and about \$6,500,000 for expenses before production really gets under way.

Tentative plans call for a \$10 million expansion at Willow Run later to take care of additional body styles and the manufacture of components now being purchased from outside suppliers. Additional expenditures are anticipated in establishing a Canadian subsidiary.

Coast Site Sought—The company's western plant is expected to be in the

To Corporation Executives

DURING 1945, this firm headed syndicates offering the following registerable securities totaling over \$65,000,000.

\$1,500,000	American Box Board 4½s 5/1/65
280,312 shares	Associated Telephone, Ltd. 4½% Preferred
\$1,872,000	Carriers & General 3¾s 2/1/60
65,000 shares	Central Electric & Gas \$4.75 Preferred
35,000 shares	Central Telephone \$2.50 Preferred
275,000 shares	Crown Cork & Seal \$2.00 Cumulative Preferred
86,270 shares	Crown Cork & Seal Common
25,000 shares	Dewey & Almy Chemical 4¼% Preferred
56,000 shares	Florida Foods \$2 Preferred
\$2,000,000	General Finance 4s 8/1/60
\$3,400,000	Indiana Associated Telephone 3s 1975
47,104 shares	Indiana Associated Telephone \$2 Preferred
\$1,000,000	General Phoenix 4s 7/1/57
\$5,550,000	Pennsylvania Telephone 2½s 7/1/65
70,292 shares	Pennsylvania Telephone \$2.10 Preferred
100,000 shares	Sylvania Electric Products \$4 Preferred

Our underwriting participations in 1945 totaled in excess of \$80,000,000.

Any of the partners or managers in our 23 offices will be glad to discuss with you new underwritings or the distribution of blocks of presently outstanding securities through special or secondary offerings.

♦ ♦ ♦

PAINE, WEBBER, JACKSON & CURTIS

ESTABLISHED 1879

Members New York Stock Exchange and Other Principal Stock and Commodity Exchanges

BOSTON 10
24 FEDERAL ST.

NEW YORK 4
25 BROAD ST.

CHICAGO 4
209 S. LA SALLE ST.

AKRON
ELMIRA

CLEVELAND
GRAND RAPIDS

CONCORD
HARTFORD

DETROIT
LYNN

DULUTH
MILWAUKEE

MINNEAPOLIS
SPRINGFIELD

PHILADELPHIA
ST. PAUL

PROVIDENCE
WORCESTER

a quick source of MORE WORKING CAPITAL

at a low cost that invites comparison

"Under your plan of financing, we have been able to secure cash as needed at an unusually low rate of interest. Having this cash available at all times has enabled us to increase our volume of business."

So wrote one customer . . . who compared our Commercial Financing Plan with other sources of working capital . . . and found our plan more liberal and more helpful as well as low in cost.

Because Commercial Credit money is competitive in cost . . . because our plan helps them make more prof-

its by giving them more cash to work with . . . manufacturers and wholesalers have changed from former methods of financing and used more than One Billion Dollars under our plan in the past five years.

Other advantages of our plan are that it involves no interference with management . . . places no restrictions on operations. It frees you from the handicap of limited working capital . . . from worries about renewals, calls and periodic clean-ups of loans . . . and from consequent uncertainties which inhibit long-range planning and progress.

Would you like to see dollars and cents comparisons of our Commercial Financing Plan vs. Time Loans? Then send for our booklet, "A Comparison of Money Costs." It may open your eyes to what our liberal and flexible plan can do for you. For a copy just telephone or write to the nearest Commercial Credit Company office listed below.

MACHINERY FINANCING AT LOW COST

Use our Machinery and Equipment Purchase Plan to finance all new or used equipment you buy. Small down payments. Low rates. Balance spread to let equipment pay for itself out of earnings . . . Details sent on request.

COMMERCIAL FINANCING DIVISIONS:

Baltimore, New York, Chicago, Los Angeles, San Francisco, Portland, Ore.



FINANCING OFFICES IN ALL PRINCIPAL CITIES OF THE UNITED STATES AND CANADA

Los Angeles area, and officials are reported to be negotiating with the government for lease of two large buildings at Douglas Aircraft Co.'s Long Beach plant.

Kaiser-Frazer plans call for two assembly lines at Willow Run capable of producing about 1,500 cars during a 16-hour day.

Higgins Cashing In

New corporation, publicly owned, will take over sizable part of boat-building empire in return for cash and stock.

Andrew Jackson Higgins, founder and president of New Orleans' most publicized war-supplier, Higgins Industries, Inc., hasn't been devoting all his time to the labor troubles that have plagued his company for so many recent months.

In particular, it now appears, the 60-year old Higgins has been giving much thought to "cashing in" on the years of growth which finally made his family-owned corporation the nation's most famous builder of P-T boats, landing barges, and sundry invasion craft.

• **New Corporation**—This week, Higgins announced that he had just concluded a \$10 million financing arrangement with the New York investment banking house of Van Alstyne, Noel & Co. under which a portion of the Higgins industrial empire will go into the hands of a new publicly owned corporation.

A Louisiana corporation, Higgins, Inc., will be organized to take over all the machinery, New Orleans plant leasehold, inventories, work in process, and contracts now owned by Higgins Industries, Inc.

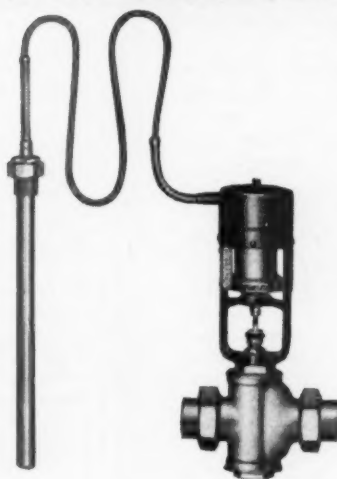
• **Cash Plus Stock**—For these resources, which include some \$40 million of booked orders or enough business to keep Higgins, Inc., during its first year of life, Higgins Industries will receive \$3,768,000 in cash and also 300,000 shares, or 25%, of the common stock which the new company will have initially outstanding.

To obtain working capital and the cash with which to pay off the Higgins interests, the new company will sell to the public 900,000 shares of its authorized capital stock of 1,500,000 shares of common. This is expected to be offered to "outsiders" at a price of about \$11 a share, and it is estimated that the transaction will net the concern around \$9,100,000.

• **Accent on Boats**—Even though the new company will also actively engage

"Social Security" for your Products

AT ONLY A FEW CENTS A DAY!



923 Sylphon Regulator for controlling process temperatures. Hand-wheel adjustments. Sylphon Bellows diaphragm. Valve sizes 1/2" to 4" incl.

● When today's "sellers" market dissolves in the face of tomorrow's heated competition . . . when consumers again shop for value and price . . . will your products have the qualities necessary to secure their future success?

Better make sure now . . . by replacing old and costly "rule of thumb" process control methods with Sylphon automatic controls.

The No. 923 Sylphon Temperature Regulator shown on this page is widely used in industry to control steam supply to processing equipment where uniform temperature must be maintained day after day. Built to last indefinitely . . .

sturdy, compact, self-contained . . . not dependent on compressed air or electricity.

Other Sylphon regulators, designed and produced by skilled specialists, are available to control pressures, and the temperature of air and gases. Costs are low, maintenance is rarely required.

For all the interesting details, write for your copy of Bulletin AW-20 today.



FULTON SYLPHON

Temperature Controls • Bellows • Bellows Assemblies

THE FULTON SYLPHON COMPANY • KNOXVILLE 4, TENNESSEE

Canadian Representatives, Darling Brothers, Montreal



DOLLARS MUST WORK FOR A LIVING

Dollars—even as you and I—must work to justify their existence. Billions of them, now idle, are looking for jobs in business and industry.

Working dollars always have been and always will be the sinews of our enterprise system. When they hide out or stagnate, everything else stagnates. When they work in essential affairs, they create jobs and opportunities and even re-create themselves. It is our *working dollars*, plus the genius of our inventors, managers and workers, that have made our nation the bulwark of the world.

Back in 1888, when the power of the working dollar was just beginning to be felt in our economy, the firm of Hornblower & Weeks was formed. One of our duties then was to find jobs for the idle dollars of our clients.

Today—as then—we are in the business of finding work for idle dollars. Your business may need them. If so, we are at your service.

HORNBLOWER & WEEKS

40 Wall Street
New York 5, N. Y.

Since 1888—Financial Service
Adapted to Your Requirements

Offices:

New York; Boston; Chicago;
•Cleveland; Philadelphia; Detroit;
Portland, Me.; Providence;
Baltimore; Bangor.

in the manufacture of automotive trailers, it is expected in its early days at least to concentrate, like the old company, on the fabrication of steel and wooden commercial vessels, with a dead-weight tonnage not exceeding 2,000 tons, and on pleasure craft.

On hand or under negotiation, for example, are orders totaling some \$20,000,000 for steel commercial craft such as tugs and barges. Also ready to be turned over to the new organization are additional orders for almost \$15 million of pleasure craft, though it is noticeable that all these are subject to the satisfaction of the buyer as to both price and performance.

• **Will Be President**—Assumption by the public of the 75% control of this phase of Higgins' present business activity won't result in the future loss of his services. Instead, he will assume the presidency of the new corporation and continue active in directing its affairs. Other executives of Higgins Industries, Inc., will join the new company. Morris Gottesman, Higgins' "financial man" for many years, will be secretary and treasurer.

In the deal that has been arranged, only Higgins Industries' Industrial Canal Plant, which is located on leased property under a contract having 21 years more to run, will be taken over by the new corporation. Negotiations are pending, however, for leasing of Higgins Industries' Michaud Plant, which is modern, extensive, and well equipped.

Air Risks: 1946

Many life companies now regard unlimited world airline travel as a standard risk, and others liberalize their terms.

The life insurance companies are entering the postwar period more amind than they have ever been before. So air-minded have they become, in fact, that unlimited worldwide airline passenger travel is now regarded as a standard risk in all the new policies being issued by no less than 50% of the 100 companies which are responsible for more than 80% of all the life insurance now in force in this country.

• **Few Actually Decline**—According to a survey by the Institute of Life Insurance, an additional 10% of those 100 life companies have come to regard the risk involved in a certain amount of such travel, usually about 50,000 mi. yearly, as standard. And only 10% of them actually decline applications for policies from those contemplating worldwide travel by air or insist on excluding that risk from the policies they are currently issuing.

This is a far cry from the condition that existed before the war. Then none of the same group of companies accepted unlimited transoceanic travel as a totally standard risk. Almost a third

Higher Education Is Put to the Test

Floyd B. Odum's investment company giant, the Atlas Corp., reputed to be the nation's largest reservoir of "risk capital" (BW—Nov. 3 '45, p. 51), may soon have a new competitor in searches for additional potentially profitable "special situations" in which to invest.

• **A Smith College Project**—On this occasion, however, Atlas won't be bucking a new Wall Street house. Instead, headquarters of its newest competitor will be Northampton, Mass., where 18 Smith College girls, anxious to put to practical use the theories they have learned in their advanced economic studies, are about to take a fling at high finance by organizing an investment trust of their own.

The group has filed incorporation papers in Massachusetts for a new company to be known as Ecclyco, Inc. (an abbreviated version of "economics class corporation"), and will

offer Smith students the opportunity to subscribe to 200 shares of \$5-par stock at par and 2,000 shares of no-par common at \$1 a share.

• **Student Control Assured**—Proceeds of this initial stock offering will be used by the corporation to trade in a general line of securities, with both income and capital gain as objectives. Dividends will be paid whenever possible. To be certain that the company will always be student-controlled, each stockholder, on graduation, is expected to turn over her interest to some new incoming student.

To round out their education in "high finance," the organizers of the new venture are reported to have spent their Christmas holiday familiarizing themselves with New York Stock Exchange operations and attending stockholder meetings of companies whose shares appear interesting as possible future investments.

made a practice of declining to issue life policies to such applicants or issued policies excluding this hazard. Only 10% were willing to accept limited world travel on a standard basis.

• Pilots and Crewmen—In prewar days, also, the group as a whole was especially wary about issuing life policies to pilots and crew members of transoceanic air-liners.

More than a third of the companies, for example, flatly turned down such applicants and the fliers or crewmen able to secure insurance had to pay an extra premium, usually from \$15 to \$25 more per \$1,000. Only about a third, moreover, would even insure crews engaged only in U. S. and Western Hemisphere flights and such applicants usually had to fork over \$25 extra.

Now, however, those professionally engaged in transoceanic flying can get insurance from all but 15% of the life companies in question for extra premiums generally not running over \$10 to \$15. Those working on flights in the Western Hemisphere now normally pay only \$5 per \$1,000 more.

• Private Planes—The coverage of those using private pleasure planes has been similarly liberalized. Travel as passengers in such planes up to about 5,000 miles is now regarded as standard by 60% of the life group. Only 15%, in fact, won't insure such applicants.

Owner-operators of planes can currently obtain life coverage from all but 15% of the companies for an extra premium, usually of around \$5 per \$1,000.

HOUSING VENTURE

Further evidence of the interest among insurance companies in building operation as an income-producing proposition is last week's announcement that the John Hancock Life Insurance Co. of Boston is planning a 1,000 home, \$12 million garden city in Brookline, Mass., on a 130-acre site now occupied by a golf course.

Chief difference between the Hancock development and those already built or planned by Metropolitan and Prudential (BW—Jan. 5 '46, p62) is that the Brookline homes will be one- and two-family houses, while the other companies are concentrating on multi-family and business property.

John Hancock is acting under a law passed at the last session of the Massachusetts legislature which, for the first time, gave insurance companies in the state the right to invest in housing.

Another 1,000-home project for New England, under way at East Natick, Mass., is the venture of United Reis Homes, Inc., a company in which Charles A. Reis, New Jersey home developer, is interested.

The Impact of Peace on Stock Prices

Despite the caution displayed lately by many stock market participants concerned over the steadily worsening labor picture, the box score of New York Stock Exchange trading since V-J Day makes impressive reading.

That Wall Street hit the nail on the head when it decided some time ago that, basically, "peace is bullish" (BW—Aug. 18 '45, p79) is confirmed by the tabulation below of the recent performance of Standard & Poor's

weekly stock price indexes (1935-1939 = 100) covering 57 individual groups of common stocks.

Since V-J Day, over half these indexes have scored spectacular advances ranging from 20% to 71%. About two-thirds, as a result, are now above their 1937 bull market highs. Six, the alcoholic beverage, air transport, shipbuilding, meat packing, soft drink, and finance company shares, have even topped their 1929 peaks.

Group Index	1937 High	Wartime Low	End of War	Dec. 26, 1945	% Gain Since V-J Day
Alcoholic Beverages	135.8	57.0	223.2	383.4	71.8
Motion Pictures	170.5	45.5	153.5	246.3	60.5
Department Stores	159.0	50.6	161.7	254.2	57.2
Air Transport	165.0	101.2	413.3	613.4	48.4
Paper	237.4	78.5	185.8	266.1	43.2
Copper	188.7	68.3	89.9	127.3	41.6
Aircraft Manufacturing	140.7	92.8	119.7	168.0	40.4
Fertilizer	163.0	61.4	168.2	235.9	40.2
Printing & Publishing	168.4	23.4	178.3	246.9	38.5
Investment Companies	163.4	52.3	138.5	188.4	36.0
Leather	187.0	59.4	146.8	199.0	35.6
Shipbuilding	132.1	108.5	134.3	179.6	33.7
Utility Holding Companies	164.5	22.7	92.9	123.8	33.3
Textiles & Apparel	153.0	72.0	184.7	244.4	32.3
Baking & Milling	124.0	56.1	120.5	158.0	31.1
Radio	146.3	35.4	167.2	217.7	30.2
Drugs & Cosmetics	114.7	59.3	106.1	134.8	27.0
Mining & Smelting (Misc.)	159.0	56.2	78.5	99.5	26.8
Food Store Chains	120.0	77.2	147.2	182.2	23.8
Steel	184.6	68.5	109.5	134.4	22.7
Weekly Rail Stock Index	171.1	58.4	129.3	158.5	22.6
Rail Equipment	176.3	55.0	116.3	142.1	22.2
Office & Business Equipment	141.1	54.5	111.3	135.9	22.1
Metal Fabricating	196.7	55.4	122.5	149.5	22.0
Mail-Order Houses	144.2	62.1	154.9	188.9	21.9
"Consumer Goods" Stocks	131.2	59.7	127.7	154.8	21.2
Machinery	160.0	62.1	113.9	137.7	20.9
Meat Packing	144.0	83.7	150.7	181.9	20.7
Industrial Stock Index	140.7	62.4	118.5	142.7	20.4
Soft Drinks & Confectionery	131.1	54.4	126.1	151.7	20.3
Sugar	144.0	59.0	119.5	143.2	19.8
Coal	150.9	70.4	179.4	214.5	19.6
Roofing	158.7	50.0	127.3	152.3	19.6
Weekly Composite Index	139.8	60.8	117.5	140.2	19.3
"Capital Goods" Shares	153.7	65.1	107.5	128.1	19.2
Oil	145.9	62.6	119.2	142.0	19.1
Tires & Rubber Goods	191.4	52.3	219.0	258.5	18.0
Household Furnishings	135.0	61.7	156.5	184.2	17.7
Shipping	176.9	149.1	314.1	369.1	17.5
Lead & Zinc	170.3	66.3	101.3	118.8	17.3
5¢, 10¢, \$1 Chain Stores	131.0	52.8	105.0	122.5	16.7
Automobile	146.4	58.4	137.4	159.4	16.0
Chemical	128.7	73.5	111.8	129.2	15.6
Dairy Products	132.4	77.2	170.3	196.2	15.2
Auto Parts & Accessories	145.4	66.8	136.7	156.4	14.4
Soaps & Vegetable Oils	122.6	80.8	120.9	135.9	12.4
Shoes	117.7	63.1	107.0	120.2	12.3
Agricultural Machinery	165.7	60.4	128.8	144.4	12.1
Utility Stock Index	136.0	53.1	107.4	120.2	11.9
Containers	120.7	55.0	92.7	102.7	10.8
Gold Mining (U. S.)	96.8	43.5	90.1	99.7	10.7
Utility Operating	136.4	54.2	112.0	123.1	9.9
Cement	176.4	77.0	139.4	151.7	8.8
Electrical Equipment	158.0	57.4	114.3	123.2	7.8
Telephone & Telegraph	121.9	67.6	115.3	122.7	6.4
Tobacco Products	115.6	45.2	89.9	95.2	5.9
Finance Companies	139.8	38.4	93.0	98.5	5.9

MARKETING

Newsprint Shortage Continues

End of controls, except on inventories, does not mean that newspapers get unlimited tonnage, for supply cannot meet the demand. Situation is still tight for bulk of magazines, too.

Although the country's newspapers were freed at the beginning of the new year from the necessity for accounting to the government for every ton of paper they use, they face a continuing newsprint shortage well into 1946 and possibly—depending on a number of factors—for even as much as two or three years more.

• **Far From Easy**—Magazines, which were freed from paper quotas last August, have also discovered that an absence of controls is no guarantee of a plentiful supply. In general, magazines have fared a good deal better than newspapers throughout the war; they are proportionately better off now, but the supply-demand situation on book paper—raw material for the great bulk of the magazine business—is still far from an easy one.

Both newspapers and magazines will continue to face the question of how best to allocate such extra paper as they are now getting, or may get in the coming months—to advertising, to circulation, or to both. Magazines, most of which stretched their tonnage quotas during the war by degrading stock (a device not available to newspapers, most of which used the lowest practicable grade of paper already), also have to decide whether to return to prewar paper weights or get by with more but less flossy paper.

• **Stocks Depleted**—Compared with meager wartime totals, the estimated available 1946 supply of newsprint looks good—some 3,870,000 tons for the U. S., or 98% of the record 1941 figure of 3,985,000 tons. This compares with an average annual supply during the war years of 3,629,000 tons and the 1944 low of 3,239,000 tons.

For a couple of reasons, however, the 1946 newsprint supply will not be as rosy as it looks at first glance. For one thing, with their circulation and advertising limited in many cases only by the availability of paper, newspapers' demands for newsprint are much higher than before the war. Increased demand for newsprint in other uses (comic books, for example), while not large tonnage-wise, is appreciable in this tight situation. U. S. publishers' stocks of

newsprint are sadly depleted; they are currently estimated by the Newsprint Assn. of Canada (principal authority on newsprint) at 110,000 tons below normal.

• **Canadian Output Gains**—Virtually all of the expected increase in U. S. newsprint supplies this year will come from Canada, which has boosted its production to an all-time high (chart, page 88). In 1946 Canada will supply an estimated 78% of U. S. newsprint—also a record figure. Domestic production of newsprint has declined steadily as U. S. mills, unable to compete with imports, have shifted to more profitable grades of paper. Imports from other than Canadian sources—chiefly Scandinavian

—which once accounted for about 10% of U. S. supplies have not bounced back to prewar levels.

Chief hope for an easier supply later in 1946 lies in increasing imports from Scandinavia and in some expansion of domestic (and possibly also Canadian) production as the \$6-a-ton increase in newsprint prices, which went into general effect Jan. 1, brings marginal mills into production.

• **Purchasing Mills**—Evidence of the lengths to which papers are going to insure their supplies is found in trade rumors of the purchase by the Hearst interests of the Pejepscot Paper Co. at Topsham, Me. Once a newsprint mill, Pejepscot converted to other grades in 1942, presumably would be switched back to the production of scarce newsprint by Hearst.

This is the single exception to a trend which has been going all the other way—conversion of newsprint mills to book paper by magazine publishers (BW, Oct. 27 '45, p. 85). This week Time, Inc., with several newsprint mills already under its belt, announced the purchase of yet another—the Hennepin Paper Co. of Little Falls, Minn.

• **Inventory Limits**—While restrictions on the amount of newsprint individual



OUT OF THE CUPBOARD, OVER THE COUNTER

While returning servicemen are haunting the shops for vanishing stocks of "civvies," a Knoxville (Tenn.) department store has come up with a novel plan—a Servicemen's Clothing Exchange—for converting veterans to mufti. A civilian or veteran with a spare suit or overcoat in good condition brings it to S. H. George & Sons, which adds to the owner's asking price only a small handling charge, including the salesman's commission. Meanwhile, the Civilian Production Administration is urging all retail apparel merchants to help out by a voluntary system of reserving scarce items for ex-servicemen.

in addition to building **STEAM GENERATING UNITS** for all industrial requirements



*Atmospheric tower
for a refinery.*

WE BUILD METAL MONSTERS LIKE THIS!

You've seen them in your travels about the country — the giant towers or columns rearing 100 or more feet skyward — that are the landmarks of the oil refining industry. Combustion Engineering has built hundreds of them and similar vessels in its boiler shops at Chattanooga and St. Louis. Many of them have gone into America's largest and most modern refineries, and many more — of various shapes, sizes and metal composition — are used in the chemical and process industries. Even larger pressure vessels than that pictured have been fabricated in C-E shops. One in particular — believed to be the largest single-piece shipment ever made by rail — weighed 490,000 pounds and was barely within railroad clearances.

But why should a company primarily engaged in

the design and manufacture of boilers, fuel burning and related equipment be builders of vessels such as those described? The answer is simple enough. The facilities and operations used in the manufacture of boilers are identical to those required for the fabrication of all types of pressure vessels. And Combustion Engineering's facilities for boiler manufacture are the finest available. They have to be to permit the production of the most extensive line of boilers on the market in sizes ranging from 25 horsepower to the highest capacity boilers in service.

A-932-A



C-E installations cover all steam generating requirements from 25 horsepower boiler-fired boilers to the largest power station units.

COMBUSTION ENGINEERING
200 MADISON AVENUE, NEW YORK 16, N. Y.



ANIMALS KEEP OUT!

Famous Inventor Repels Quadruped

Read this New FREE BOOK and LAUGH

Sterling Elliott disliked pets in the house. Once, extricating himself from a social predicament, he greeted a visitor at the door with, "How do you do? Will you come in, or would you prefer to sit on the porch with your dog?"

How effectively he solved more complex problems is evidenced by a list of 104 registered patents. In 1895 his low-wheeled trotting sulky enabled Nancy Hanks to clip seven precious seconds from her own world record. During the Gay Nineties his Hickory Bicycle was pedalled by thousands, while his skeleton-like quadricycle still provides the basis for the auto's steering mechanism.

In "The Story of a Father and Son or Unscrewing the Inscrutable" some of his inventions were described. In a new 72-page, illustrated volume, **THE STERLING ELLIOTT FAMILY**, you'll read more about this great American inventor, see him at work with his contemporaries and at home with his family and friends. Write today, on your business letterhead, for your interesting free copy of **THE STERLING ELLIOTT FAMILY**.

The Elliott Addressing Machine Co.
151 Albany St., Cambridge 39, Mass.

Elliott
ADDRESSING MACHINES

papers may use were lifted by Civilian Production Administration as of Jan. 1, newspapers are now limited as to the number of days' inventory they may have on hand. This is galling to the American Newspaper Publishers Assn., which would like to be free of all controls. It is welcomed by the National Editorial Assn., representing weeklies and some dailies, some of whose members plumped for retention of quotas. During the war the little fellows—papers using less than 25 tons of newsprint a quarter—were exempt from quota restrictions, and many actually increased their consumption of newsprint up to the 25-ton limit.

Newspapers know that they will have to be careful, see to it that no small fry is starved for paper, or CPA will exercise its power to reinstitute quota controls.

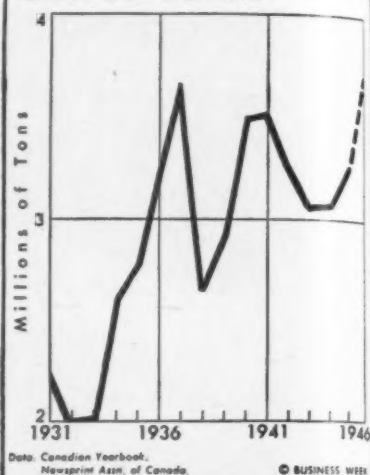
• **Advertising Rationed**—Where they have had the choice, most publishers have put newsprint into extra circulation rather than advertising during the war. The result has been an informal rationing of advertising space by almost all papers. Generally, national advertising has felt the ax first; papers have held onto their home-town bread and butter—the classified columns and local retail advertising. Occasionally, publishers have run out of paper for advertising entirely; an example is the New Orleans Item, which drew heavily on its quota before Christmas this year and to make up for the splurge printed advertising-less editions between Christmas and New Year's.

Privately, while they say that they are losing a "consequential" amount of advertising as a result of the paper shortage, publishers concede that the totals aren't so staggering as is sometimes reported. Thus an advertiser who is turned down by one paper in a city will go to another, and then to a third. All three papers will figure the account as advertising they couldn't accept, though actually only one publisher would have closed the deal.

• **Some Economies Dropped**—Magazines expect their paper troubles to continue into 1947 (if there is no letup in demand), but look for some increase in supply toward the end of this year with rising supplies of pulpwood and the installation of new equipment in the mills.

Most magazines are still rationing advertising—though with a more liberal hand than heretofore. Subscription lists, closed during the war, have generally been reopened, but few publishers have yet launched anything that could be called a subscription drive according to prewar standards of such campaigns. News stand distribution has been boosted proportionately.

CANADA'S NEWSPRINT OUTPUT SOARS



Canada's prospective newsprint production this year sets an all-time record, and exports to the U. S. of 3,000,000 tons will top all previous shipments. While Canadian consumers are held to minimum needs, most of the production increase will go to the United States and to other export markets—a move that is designed to beat Scandinavian suppliers into their old lucrative markets.

In general appearance, magazines are beginning to look more like their prewar selves. Devices for wartime economy are being dropped. Paper weights are being increased, though few magazines are going back to a stock as heavy as that they used before the war; former trim sizes and type sizes are being used again.

• **New Competition**—There are some indications of a slackening in the public's insatiable demand for the printed word. Reports are that news stand sales of the pulps and comic magazines—whose circulation increased spectacularly during the war—slumped noticeably last month. Some monthlies are now selling out in 15 or 20 days, instead of two or three as heretofore. Popular weeklies now may sometimes still be seen on the news stands a few days after their date of issue.

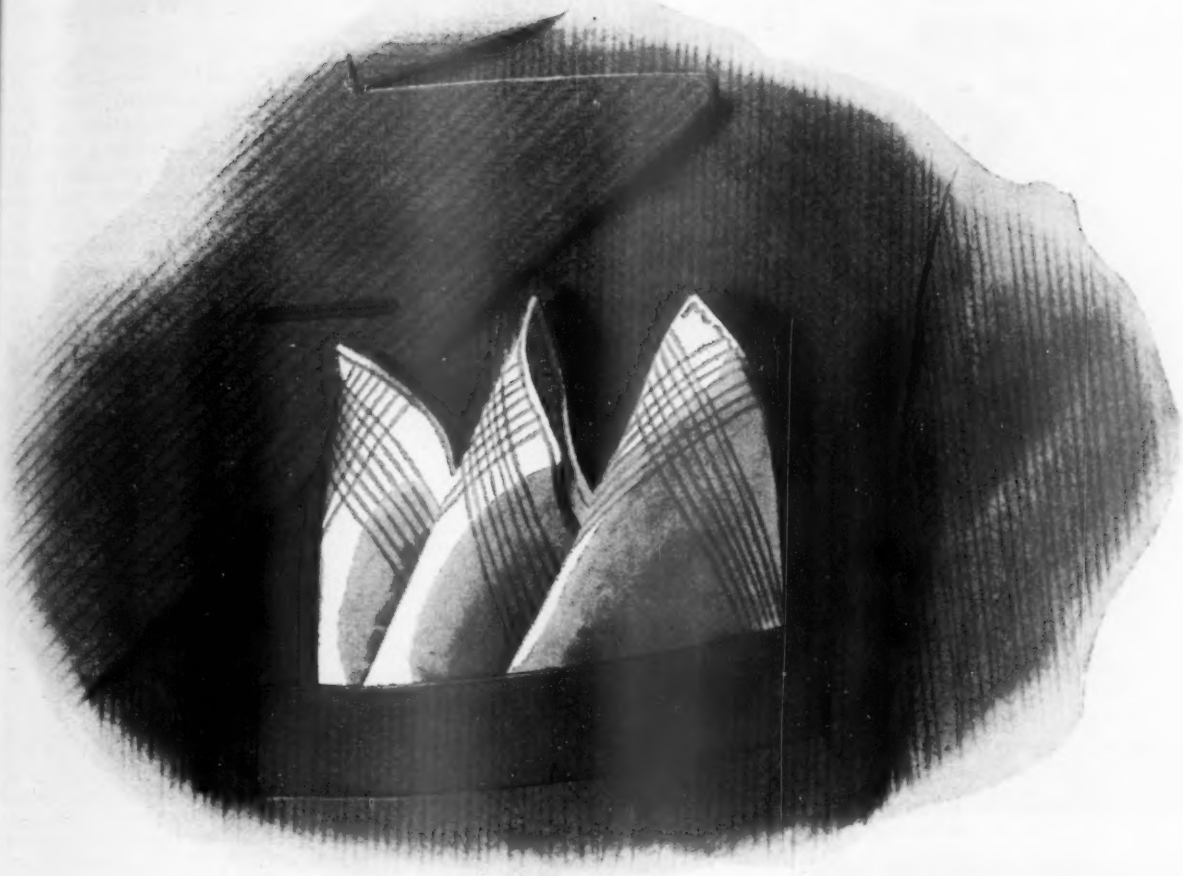
One way and another, in spite of the paper shortage, most publishers are finding the raw material to bring out new magazines. Sometimes they dig up new sources of supply, sometimes they rob Peter to pay Paul, but whatever the device, a record crop of new publications is now fighting for the attention of the public.

pro-
e rec-
,000-
ship-
umers
ost of
to the
xport
ed to
their

es are
pre-
nomy
s are
azines
vy as
rmer
used

some
pub-
inted
sales
ines-
tatu-
eably
now
ad of
pular
ll be
days

f the
find-
new
new
rob
e de-
tions
the



This Handkerchief Made Engineers Mop Their Brows

HANDKERCHIEFS have a thousand uses . . . to which we at American Viscose Corporation thought rayon could be well adapted. So we encouraged handkerchief manufacturers to make some experiments, and gave them all possible help.

Textile engineers went to work on the problem. Frankly, the first experimental rayon handkerchiefs were disappointing. They grew oblong when laundered . . . and they weren't very absorbent.

The engineers mopped their brows and went back at the job. You see, rayon fibers are man-made, with the advantage that their qualities can be "engineered" until they fit given needs.

Getting exactly the right combination of qualities into rayon handkerchief materials is a tough assignment *but much progress has been made!*

The results . . . ?

Today spun rayon handkerchiefs are a popular item. They are soft and delightful to handle. They take dyes and hold them through launderings and ironings. They are relatively lint-free. They retain their dimensions. And they're so absorbent that they reach 100% saturation in just 10 seconds.

This is just another of the accomplishments of textile research engineering which is bringing Americans better things of rayon to live with and use.

AMERICAN VISCOSE CORPORATION

America's largest producer of rayon yarns and staple fibers

Offices: 350 Fifth Avenue, New York 1, New York; Charlotte, N.C.; Philadelphia, Pa.; Providence, R.I.; Washington, D.C.; Wilmington, Del.

*Reg. U.S. Pat. Off.

*A better way to
buy Rayon Fabrics*

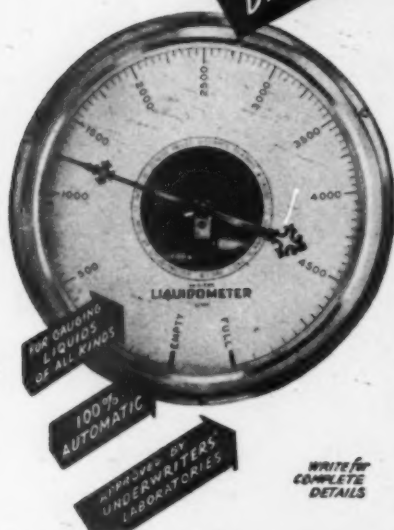


This identification is awarded only to fabrics containing CROWN® rayon, after they have passed the CROWN Tests for serviceability.

LIQUIDOMETER

Tank Gauges

ALWAYS
DEPENDABLE



"LIQUIDS WORTH STORING ARE WORTH MEASURING"

THE **LIQUIDOMETER** CORP.
38 12 SKILLMAN AVE., LONG ISLAND CITY, N.Y.

C-U-T LOADING COSTS



GLOBE LOADING DOCK LIFT

One man, with a Globe Loading Dock Lift, can load or unload more material than three or four can handle manually in the same time. Quickly raises loads flush with truck floor, or lowers them from truck to dock level. Saves time, manpower, breakage. Re-cesses level with dock or driveway when not in use. Easy to install; pays for itself in few months. Write today for illustrated Bulletin D-14.

GLOBE HOIST COMPANY
Phila., 18, Pa. Des Moines 4, Iowa

GLOBE
LIFTS and ELEVATORS

Nylons Still Short

Lack of full-scale production combines with drop in rayons to keep women's stocking situation critical.

Women who have been driven by the current hosiery shortage to wearing cotton stockings are taking little comfort from the somewhat ironic fact that, within a few weeks, the long-dreamed of nylons will actually begin to materialize.

As the industry expected (BW-Nov. 24'45, p78), the supply of rayon stockings has dried up before the nylon pipeline has been filled. Figures from the National Assn. of Hosiery Manufacturers show total shipments of women's full-fashioned hosiery off 25% in November from November of last year. Shipments of women's seamless hosiery are down over 10%.

• **Rayon Producers Quit**—During the war hosiery manufacturers received a government allocation of rayon, plus whatever rayon individual makers could pick up in the "free" market. The allocations came to an end Oct. 1, despite the hosiery industry's pleas that they be continued. Most rayon producers, seeing no future in the business, promptly dropped their hosiery accounts. By December the hosiery industry's receipts of rayon yarn had dwindled to "almost nothing."

Meanwhile, receipts of nylon hadn't come up to expectations, and the industry was stranded high and dry. Hosiery makers don't expect to get all the nylon they can use for several months yet—until du Pont's current program

for expanding nylon plant capacity is complete.

• **Nylon Black Market**—Negotiations between N.A.H.M., the Civilian Production Administration, and rayon producers for a resumption of rayon allotments to the industry (either as part of a government program or on a voluntary basis) show little promise of tangible results.

In the meantime, a black market in nylons is thriving on pentup feminine demand and the reluctance of legitimate retailers to release nylons for general sale—at ceiling prices—until they have built up adequate stocks.

• **Marines Break Ceiling**—This week the U. S. Marine Corps was acutely embarrassed because a post exchange at Arlington, Va., just outside Washington, was caught selling nylons at three pairs for \$10—twice as much as the OPA ceiling of \$1.65 a pair. There was no profit in the deal for the PX, which sold the stockings at the price it paid a New York dealer for some 300 pairs. Nor was the PX, technically, outside the law since post exchanges are not subject to OPA regulations.

But the USMC regarded the outcome of its desire to supply the demand of officers and men for gift nylons as "unfortunate," and promised to cooperate with OPA in nailing the dealer who sold it the stockings. Said Henry Stein, chief counsel for the War Goods Division of OPA, "I guess we will have to investigate it now. The civilian who sold the hose may be making a habit of it."

OPA was getting ready for a general crackdown on the black market in nylons this week. But, mostly, the black market in nylons, like a good many others before it, will just have to run its course.

FOR THE RECORD

One of war's casualties, the medium-priced cigar, is recuperating. With Army and Navy orders off, 63 manufacturers who supplied the services are training their competitive guns on the civilian market. Deisel-Wemmer-Gilbert Corp., Detroit, seeks the marketing spotlight with a full-page reminder that it refused to raise prices to OPA ceilings for R. G. Dun cigars—and that it maintained peacetime quality. The plug gives dealers a selling point against upgraded war brands and seeks to forestall cut-rate competition from spurious brands which brokers doubtless will try to clear from their shelves.

We've Kept QUALITY UP... We've Held PRICES DOWN!

ACCORDING TO O. P. A. REGULATIONS

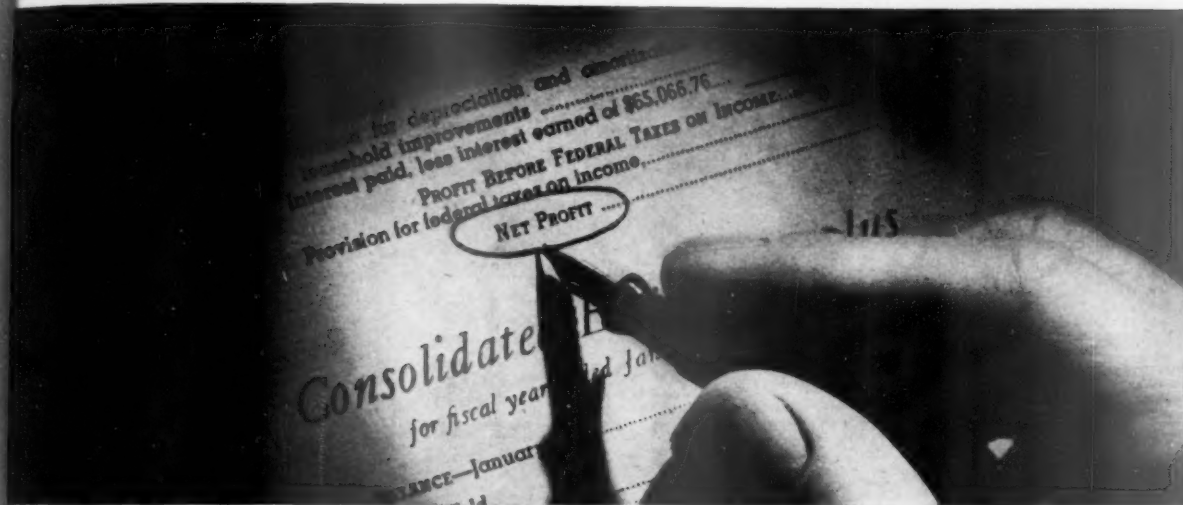
R. G. DUN Cigars Could Be Priced From 3c to 7c MORE!

Deisel-Wemmer-Gilbert Corp. has been held prices down, O. P. A. regulations for the cigar industry permitted an increase of from 25 to 75 over the price on war change for R. G. Dun Cigars. We refused to take advantage of the opportunity. We chose, instead, to maintain R. G. Dun quality at the lowest possible cost to the smoker. The conditions changed in setting the limit to qualify for low when you buy an R. G. Dun.

We Hope We'll Soon Be Able to Supply Your Favorite R. G. DUN Whenever You Call For It

THE QUALITY OF NEW ADDED. THERE'S NO OTHER CIGAR AT ANY PRICE

What are profits...



Made of?

PROFITS are made of many things. Sound selling policy is one. Efficiency of manufacturing is another. Service to customers is important, too.

One of the most important of the many things which profits are made of is the factor which many businessmen often overlook. That is the efficiency of bookkeeping methods.

A smoothly functioning accounting department and satisfactory profits go hand-in-hand. That's why it pays to have a thorough check made of your methods of handling money and records. In this way you can be sure of full operational efficiency and lowest possible overhead.

Whatever the size or nature of your business . . . from a small dry goods store to a large steel plant . . . there is a

National system that can save you time and money in all your business accounting. This includes payroll, accounts receivable, and distribution of sales and costs.

Get the facts . . . No obligation

Upon request, a National representative will be glad to discuss your system of handling money and keeping records.

Following this discussion he will make definite recommendations. Have your own accounting department compare the National system with the one you are now using. Make the decision solely on the facts revealed. **The National Cash Register Company, Dayton 9, Ohio. Offices in principal cities.**

National

CASH REGISTERS • ADDING MACHINES
ACCOUNTING-BOOKKEEPING MACHINES

FCC Backtracks

Commission will hold a hearing Jan. 18 to determine if FM will be reassigned to its old band in addition to present one.

Indications that the Federal Communications Commission may retain FM broadcasting in its old band (42-50 megacycles, now one of the channels earmarked for television) in addition to the new 88-108-mc. band came late last week when the commission, in a surprise move, called a hearing for Jan. 18 to determine whether FM will be assigned two bands. Notice of the hearing followed a petition filed by Zenith Radio Corp., Chicago, to retain FM in the old band.

• **Triumph for Armstrong**—FCC's retreat is considered a signal victory for Maj. E. H. Armstrong, inventor of FM, who has steadfastly charged that the FCC shifted FM to the higher band last year (BW-Jun.30'45,p90) against the best judgment of recognized engineers.

The commission based that action on recommendations of K. A. Norton, former commission engineer and, during the war, a propagation expert with the Army. Norton's conclusion—that FM would work just as well on the higher band—has been attacked as erroneous by such experts as Maj. Armstrong, Stuart L. Bailey of Washington, Dr. C. R. Burrows of RCA, and Dr. G. W. Pickard.

• **Bands Tested**—When the commission decided to move FM upward, tests on the old band (42-50 mc.) and the new one (88-108 mc.) were authorized. The commission made tests on both bands at Andalusia, Pa. The Milwaukee Journal's FM station, WMFM, one of the pioneers in frequency modulation, made tests at Deerfield, Ill. In the latter tests, commission engineers were assigned to calibrate instruments and to make the readings.

The two tests prove, according to Zenith, that Norton's assumptions were incorrect, that FM on the 100-mc. band would not provide adequate service for rural listeners, that if the FCC insists on moving FM up there will be insufficient channels, and that 40% of the country, mainly farms and rural communities, will have to be without FM service.

• **Three Main Points**—The Jan. 18 FCC hearing will be devoted mainly to the determination of these three issues:

(1) Whether the 42-50-mc. band, or any part of it, should be made available to FM in addition to the 88-108-mc. band.

(2) If such action is taken, who among noncommercial educational, community, metropolitan, and rural broadcasters should be allowed to use this lower band, and whether it should be assigned to the whole country or only to Area II (that portion of the country outside of the Northeast).

(3) What would be the additional cost of receivers if FM were assigned to both bands.

• **Lower Band Still Clear**—Zenith, in its petition, pointed out that no television applications have been filed for the disputed channel and that, therefore, no hardship would be caused if the commission were to reassign it to FM.

The petition suggested these alternatives: (1) the 100-mc. band be retained for city service and licenses for city stations be issued on both the 50-mc. and 100-mc. bands, or (2) the 100-mc. band be retained solely for city stations and a 48-68-mc. band (the one originally proposed for FM by the Radio Technical Planning Board) be reallocated for both city and rural areas, or (3) FM be reassigned the 42-50-mc. band with the 50-68-mc. band added later.



ODOROUS PUBLICITY

While New Yorkers complain that both equipment and air in their subways need replacing, Airkem, Inc., maker of odor neutralizers (BW—Nov.3'45,p63), goes into action. With cameraman and carbon dioxide evaluator, Dr. W. D. Turner (above), chemistry professor and Airkem's technical chief, takes samples of air on the jammed Lexington Ave. line for more reasons than publicity. The company seeks to have the city install its compounds if and when the subways are renovated.

Costly Victory

Wholesale druggists fined \$87,000 on no-contest pleas and indictments charging fair trade violation are dropped.

The Justice Dept. last week quietly settled one of its pending cases attacking alleged abuses of "fair trade" (resale price maintenance) systems. The National Wholesale Druggists Assn., 23 of its member firms, and 29 individuals pleaded nolo contendere before Judge Thomas F. Meaney in U. S. District Court at Newark, N. J., and were assessed fines totaling \$87,000. Daniel B. Britt, special assistant attorney general, said that Attorney General Thomas C. Clark had found that many circumstances had changed since the case was instituted, and requested dismissal of the indictment.

Judge Meaney, who has an intense dislike of the no contest pleas, under which defendants pay fines without being found guilty, remarked that he did not initiate the dismissal of the indictment. "I do not express any approval of it," he said. "It is the business of the attorney general to say whether or not he shall prosecute."

• **Arnold Legacy**—The indictment, handed down more than four years ago, was the first blow in the drive of Thurman Arnold, then assistant attorney general, against alleged misuse of state fair trade laws and assorted consignment plans allegedly calculated to fix profit margins (BW—Feb.21'42,p50).

According to the government's charges, price-fixing was accomplished by (1) consignment systems under which wholesalers were appointed factors of the manufacturer and directed to sell to the retail trade at stipulated prices; (2) voluntary stabilization plans under which manufacturers announced their intention not to sell to wholesalers who undercut suggested wholesale selling prices; (3) use of manufacturer-wholesaler fair trade contracts to set minimum wholesale prices "in a manner and for a purpose not contemplated by the Miller-Tydings amendment to the Sherman Act and the various state fair trade acts."

• **Indictments Pending**—It was the Anti-trust Division's contention that the system resulted in illegal horizontal price agreements—agreements between wholesalers, rather than vertical legal agreements between manufacturers and distributors.

Still pending are two indictments against the National Assn. of Retail

Druggists
ed the
price ma
A.R.D.
law
SW-D
arnets'
even bu
Miller-
makes th
interst

RETAIL

As hi
gency o
New Yo
ame eff
ealed
big, new
and spe
76).

Hovin
Co.,
operatin
better
group
tores,
oods c
ave bes
that, alt
control,
identity
buying
Source

restmen
denied
Franklin
tores o
as a pr
plans, v
Ultin
organiza
\$150 m
ness gen
step in
celerate
toward
bigger v
hands.

OPA

The
legal v
U. S. C
delphia
facturin
ing to
quired
ignomi
ing abo
such c
The
Emily
Maid
Leitho
sued b
Kalods
them

Druggists, the organization which provided the steam for the passage of the price maintenance laws in 45 states. A.R.D.'s current effort to get a similar law in the District of Columbia (BW-Dec.29'45,p81) has stirred up a hornet's nest of opposition which has even brought talk of a bill to repeal the Miller-Tydings enabling law which makes the state fair trade laws effective in interstate commerce.

RETAIL EMPIRE PLANNED

As his resignation from the presidency of Lord & Taylor, prosperous New York City department store, became effective this week, Walter Hoving revealed a little more of his plans for a big, new amalgamation of department and specialty stores (BW-Dec.29'45, p76).

Hoving will get backing from Blyth Co., investment bankers, to form an operating company which will provide "better continuity of management" for a group of big and middling department stores, specialty shops, and even dry-goods chains. Aware of pitfalls which have beset such enterprises, Hoving said that, although he will buy no less than 51 percent, he will retain individual store identity and will not operate a central buying office.

Sources close to Floyd Odlum's investment house, Atlas Corp., promptly denied that either Bonwit Teller or Franklin Simon, New York specialty stores controlled by Atlas and rumored as a prospective nucleus for Hoving's plans, were for sale.

Ultimately, Hoving hopes to head an organization with an annual volume of \$150 million to \$200 million. For business generally, Hoving's move is another step in the long-time trend (greatly accelerated since the end of the war) toward concentration of a bigger and bigger volume of retail business in fewer hands.

OPA WINS LEGAL POINT

The OPA chalked up an important legal victory last week in the Third U. S. Circuit Court of Appeals at Philadelphia. The court ruled that a manufacturing concern charged only with failing to keep price records and make required reports can be made to suffer the ignominy of being restrained from selling above ceiling prices, even though no such charge was made against it.

The issue was raised by William and Emily Leithold, trading as the Custom Maid Brassiere Co., Philadelphia. The Leitholds did not contest a decree, issued by U. S. District Judge Harry E. Kalodner last June 4, which compelled them to keep price records and to file

How many "mental sit-downers" have you in your organization?

"In every factory and store, among office workers and salesmen, costly 'sit-downs' have been going on for a hundred years—*mental sit-downs*", says Craig Davidson. "Commands to do thus and so have met with mental sit-downs which have been just as effective in blocking production and sales as any physical sit-down that ever stopped an assembly line."

"That is one reason why this book," he goes on, "should be useful to any man whose job is to get other men to do their work right. It should visualize for him *what causes mental sit-downs and what to do about them.*"

Getting Things Done in Business

By EVERETT B. WILSON

Director of Porto Rican Trade Council,
Formerly Assistant Director of Personnel,
Kroger Grocery and Baking Company

Second Edition, \$2.50

"An executive's success depends squarely on two points: whether he has good ideas and whether he can get his ideas actually and properly used." This book deals with methods of getting your ideas used efficiently. It tells how to get policies, plans and instructions carried out as they were designed to be carried out. It is in effect a working manual on leadership. It tells how to secure effective and intelligent cooperation.

Have you seen the
Revised, Fourth Edition

Hutchinson's STANDARD HANDBOOK FOR SECRETARIES

616 pages, 6 x 9
\$3.00

CAN you depend on your secretary to handle any assignment judiciously, quickly, correctly? Can you depend on her English?—her smooth and efficient handling of people? Here is a new book that spells better results in all work of the secretary. Placed in your secretary's hands it will be invaluable in assuring the correctness of correspondence, in eliminating error, in promoting good relations, in providing a wealth and variety of information that will enable her to handle many details of work with more satisfaction to you.

Gives you many practical ideas on:

- What are the real reasons why subordinates disregard instructions?
- What can be done to get instructions carried out efficiently?
- What are the disadvantages of driving?
- How can you improve subordinates' attitudes?
- How can you really check performance?
- How can you criticize subordinates effectively?
- How can you develop responsible subordinates?
- How can you dispose of alibis?
- What is the technique of developing enthusiasm?
- How can you guard against troubles of jealousy?

Examine this book for 10 days

SEND THIS MCGRAW-HILL ON-APPROVAL COUPON

McGRAW-HILL BOOK CO., Inc., 330 W. 42nd St., New York 18, N. Y.

Send me the books checked below, for 10 days' examination on approval. In 10 days I will pay for the books, plus few cents postage, or return them postpaid. (We pay postage on orders accompanied by remittance.)

- ☐ Wilson—Getting Things Done in Business, \$2.50
☐ Hutchinson—Standard Handbook for Secretaries, \$3.00

Name
Address Position
City and State Company BW-1-13-46

(Books sent on approval in U. S. and Canada only)

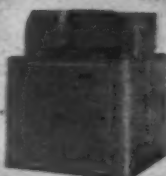




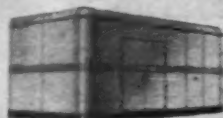
FOR CABINETS



FOR EQUIPMENT HOUSING



FOR DRYERS AND OVENS



FOR REFRIGERATORS



FOR INSTRUMENT AND CONTROL PANELS



FOR BUILDINGS AND PARTITIONS



FOR TRUCK AND TRAILER BODIES

CHECK THE ADVANTAGES OF THIS LIGHTWEIGHT STRUCTURE IN ALUMINUM OR STEEL

... and what they mean when applied to YOUR product or its housing

Ls simplifies production:

- Proves ideal for both single-unit and production line assembly.
- Eliminates waste—parts are die-rolled, die-drawn, die-cut to exact specifications, and no trimming or fitting is necessary.
- Needs no welding or riveting.
- Requires no retooling, special machines, or new equipment for its assembly.
- Hastens delivery by speeding up production.

Ls simplifies changes:

- Disassembles and reassembles—with or without changes—without loss of strength.
- Permits variations from standard models without delay or undue expense.
- Permits overnight design changes.
- Makes possible immediate reconversion to civilian production.

Ls simplifies repairs:

- Speeds repairs, reduces maintenance costs.
- Requires replacement of damaged sections only.
- Uses interchangeable parts—readily available from the nearest Ls warehouse.

Ls offers structural advantages:

- Utilizes all the strength in light sheet metal through uniform tensioning, with a resulting high strength-weight ratio.
- Remains permanently rigid, sturdy, unaffected by vibration.
- Provides ample support for heavy equipment and control panels.
- Provides ready access to all parts of the interior with removal of the nearest panel.
- Is easily insulated, since wracking will not break air seals. Ls construction permits use of phenolic spacers which eliminate all through-metal contact between double walls of units.
- Ships k.d. or partially assembled, in minimum space.

For information, send drawings, data or blue prints to The Lindsay Corporation, 222 W. Adams St., Chicago 6, Ill.; to 60 E. 42nd St., New York 17, N. Y.; or to Lindsay Structure (Canada) Ltd., Dominion Square Bldg., Montreal.

Easy to Assemble



L LINDSAY STRUCTURE

U.S. Patents 2017629, 2263510, 2263511
U.S. and Foreign Patents and Patents Pending

THE MODERN METHOD OF LIGHT METAL CONSTRUCTION

periodic reports, but they objected to a clause forbidding them from any above-ceiling sales.

Their counsel argued that, since the OPA did not charge them with price violation, the judge had no right to put such a provision in his decree.

The unanimous opinion of the circuit court was that federal district courts have the discretionary power to prohibit sales over ceilings, even when such sales are not charged against the defendant.

The injunction against sales above ceilings by the Leitholds was declared justified because they not only failed to keep the records required by OPA but filed no reports until the agency had taken legal action against them.

Appliance Line

New products of Allied Stores and Gimbel Bros. to give noncompetitive stores a line to match private brands.

Significant side show at the winter furniture market in Chicago this week was the private showing of the new line of Ambassador brand appliances, developed by Allied Stores Corp. and Gimbel Bros., Inc., for sale not only through their own stores but through noncompeting furniture and department stores throughout the country.

• **Distributor Independent**—Sole national distributor of Ambassador appliances to non-Allied and non-Gimbel stores is Ambassador Distributors Co., an independent company set up by Chester L. Jones. Originally Jones set out to obtain bigger volume, through outside stores, for Allied's existing private brand appliances; one of the outsiders whom he found in the market for a private brand was Gimbel Bros.

Under the present arrangement Allied and Gimbel will be responsible for engineering the line, which so far includes radios, refrigerators, and washing machines (including an automatic type, manufactured by F. L. Jacobs Co. of Detroit.)

• **Lower Retail Price**—Ambassador appliances will retail for less than their nationally advertised counterparts, but will give the dealer a comparable markup. Hence, like the Monitor appliances announced early last year by Monitor Equipment Corp., a distributor-owned organization (BW—Jan. 27 '45, p. 85), they will give independent merchants a means of competing with the lower-priced long-profit private brands of chain stores and mail-order houses. If Ambassador has ambitions for national advertising of its line, such as Monitor

One of the many advantages
of **GAS**
and **MODERN GAS EQUIPMENT**

ECONOMY

\$ Many of the inherent qualities in Gas contribute to its unit
\$ and overall economy in use. Further, the research achieve-
\$ ments of the American Gas Association and Gas
\$ equipment manufacturers in sponsoring ad-

vanced apparatus to utilize to the
utmost the advantages of this modern
fuel, add to its economy.

Among the contributions to economy
of Gas application in industrial plants
are: *speed*—desired temperatures are at-
tained in shorter time in the Gas furnace;
controllability—which provides and main-
tains the precise temperature required; *sim-
plicity*—Gas equipment requires less space,
maintenance, attention; *elimination of storage*

—Gas requires no capital investment in stored fuels, again saves space; *dependability*

—Gas is there when you want it; *uniformity of production and elimination of
rejects*—Gas users report that production has been improved, products are superior,
seconds or rejects cut to a minimum or eliminated, since switching to Gas.

The economical application of Gas to your specific operations can best be
explained by the Industrial Engineer of your local Gas Company. His service
is complete, you incur no obligation.

AMERICAN GAS ASSOCIATION

420 LEXINGTON AVENUE, NEW YORK 17, N. Y.

THE TREND IS TO GAS

FOR ALL
INDUSTRIAL HEATING

Low Weight . . . Compactness for your *New* PRODUCT

WITH A *Lamb Electric* MOTOR

• Over 30 years' experience designing and building fractional horsepower motors for all types of special applications has taught us where and how much motor weight can be reduced without interfering with essential electrical characteristics. Our knowledge of products gained by close cooperation with many types of manufacturers frequently enables us to make design suggestions that reduce product weight, as well as improve compactness. It is best to discuss the motor while your products are in the early stages of development.

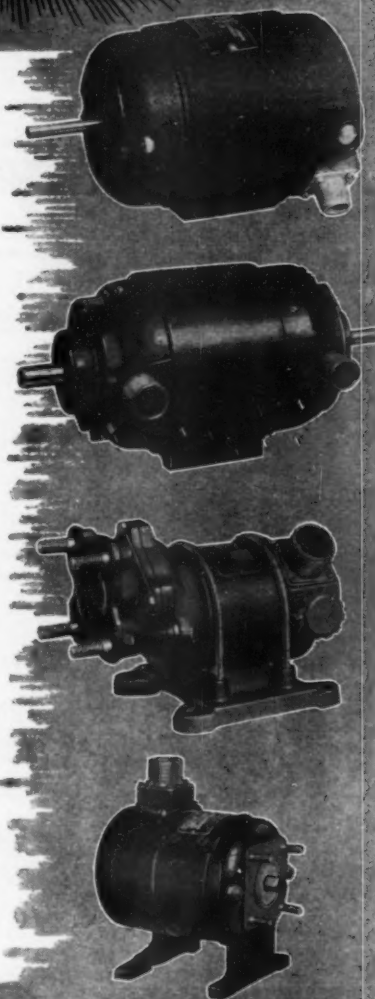


THOROUGH ENGINEERING

is the basic
factor behind
the successful

operation of the special applica-
tion motors shown here, and many
others we have designed and
built for all types of equipment.

THE LAMB ELECTRIC COMPANY
KENT, OHIO



Lamb Electric
Black & Decker Electric

FORMERLY

SPECIAL APPLICATION
FRACTIONAL HORSEPOWER MOTORS

has promised its dealers, Jones has mentioned them yet.

Names of the outside stores who have signed up with Ambassador are being withheld temporarily—ostensibly because dealers are afraid of being cut out from their present suppliers while merchandise scarcities still prevail.

Book Venture

Newest contender for 25¢ reprint market issues initial 20 titles. Distribution swings to unusual sales outlets.

Bantam Books, Inc., newest contender for the 25¢ reprint market (B1—Oct. 27 '45, p. 78), this week released initial 20 titles to bookstores and magazine dealers. Four additional titles will be issued each month.

• **Emphasis on Novels**—Bantam is jointly controlled by the Curtis Publishing Co. and Grosset & Dunlap, Inc. Curtis contributes the first-class services of its distributing subsidiary, Curtis Publishing Co. of Delaware, while Grosset & Dunlap (now jointly controlled by four original book publishers and the Book-of-the-Month Club) handles editorial direction.

The first 20 Bantam titles are representative of the company's announced policy: to put major emphasis on novels—a conclusion Bantam drew by studying best seller lists. The group is balanced, however, by one western, several mysteries, two nonfiction titles, and one classic.

• **Gas Station Sales**—Another departure in reprint selling, begun last November by World Publishing Co., is now making headway. World's 49¢ Tower books found their market through various unaccustomed outlets—supermarkets, for example—ever since they were first offered in 1939; now International Circulation Co., a Hearst subsidiary, distributes them through news stands.

World has 5,000 Tower book racks out so far, in drug stores, grocery stores, and gasoline stations as well as in conventional news stands; it hopes to reach its goal of 20,000 within another 60 days.

• **Special Bible Edition**—Other World projects include:

(1) For late 1946, the Living Library—a series of cloth-bound, illustrated classics edited by Carl Van Doren. Titles will range from Plato to Hemingway, and the books will be sold at \$1 each through supermarkets, variety stores, and similar outlets—not, however, through drug stores or news stands.

(2) For 1947, a 25-pound folio Bible

designed by Bruce Roger. This is being undertaken largely as a prestige venture fitting the company's claim to be the world's largest publisher of Bibles; its fewer-than-2,000 copies of the special edition are expected to be snatched up by collectors and churches at about \$150 each—before publication.

SAFeway LABELING PLAN

Safeway Stores, second biggest food chain, has announced its expected (BW—Sep. 1 '45, p93; Dec. 1 '45, p118) new labeling program for private brand products, notably canned goods.

Henceforth labels of brands controlled by Safeway will carry "as much descriptive information as practical to protect the interests of consumers." Not all Safeway products will be grade-labeled, but federal and state grade designations will be included on labels when company officials consider them a reliable guide to buying.

Other information which will go on labels: (1) a "truthful" picture of the product; (2) a statement of variety, size, maturity, color, style of pack, packing medium, seasoning, spices, etc.; (3) the number of servings in the container; (4) a brief description of the raw materials and method of processing; (5) brand name; (6) directions for use.



STILL WORKING WITH WARTIME WATER?

Just as much of the machinery for war production may be unfit for peacetime manufacture, so it is with yesterday's process water. New materials and methods—even new chemical "tolerances"—today present new water problems.

Water can be "converted" easily and quickly with Permutit® Water Conditioning. Permutit specializes in water made-to-order for industry. Whether you make textiles or paper, foodstuffs or chemicals, Permutit equipment is designed

to fit the water to your formula.

In reconverting, then, don't overlook one of your most important raw materials. Let Permutit tailor-make the water you use to meet today's processing requirements. Make sure that the goods you produce for peacetime are the products you planned.

Write, for full information, to The Permutit Company, Dept. W, 330 West 42nd Street, New York 18, N. Y. or Permutit Co. of Canada, Ltd., Montreal.

*Trademark Reg. U. S. Pat. Off

IT'S BACK! PERMUTIT HOME WATER CONDITIONER
—the appliance that turns hard water into soft water. Dishes sparkle, clothes launder whiter, housework is easier throughout the home equipped with Permutit's Water Conditioner. Send for FREE BOOKLET and name of your nearest dealer.



PERMUTIT

WATER CONDITIONING HEADQUARTERS



INFLATION ON THE RANGE

Further indication of the high cost of beef—if any is needed—is the \$51,000 paid last week for Del Zento I, a two-year-old Hereford bull. Said to be the largest amount ever paid for beef breeding stock, the sum was paid by George Rodenz (left) of Toronto, Canada, to W. A. Delaney, at an auction at the latter's ranch at Ada, Okla.

LABOR

"General Strike"

Stamford's labor holiday in sympathy with Yale & Towne strikers has air of festivity rather than revolution.

"If this is the class war, it's fun," observed a newsreel cameraman munching on a hot dog in Stamford, Conn., one day last week. And his comment would have been taken as definitive by almost everybody in the crowd, estimated by the chief of police to number 10,000, that milled around the New England Town Hall as either participants in or spectators at the third general strike that the United States has experienced and the first to occur since the bloody rection on San Francisco's Embarcadero in 1934.

Stamford's big moment in U. S. labor history came as a result of a nine-week-old dispute between Yale & Towne Mfg. Co. and A.F.L.'s International Assn. of Machinists over continuing in force a contract providing maintenance of membership which the company signed at the behest of the National War Labor Board during the war. Wages are also in dispute, with the union asking the now-standard 30% increase, but it is generally agreed that the walkout would be ended quickly if

an agreement was reached on union security.

• **State Police Resented**—The strike of 3,000 I.A.M. members at Yale & Towne has had great symbolic importance to organized labor because of the issue involved. The unions will fight to defend the security they achieved under maintenance-of-membership contracts more determinedly than any other single wartime gain. The employer seeking to turn back the clock on "m. of m." will face formidable opposition. The strike got national publicity when pickets barred W. Gibson Carey, Jr., company president, and other executives from entering the plant and when management personnel posed in their shirt-sleeves for pictures showing them stoking factory furnaces (BW-Dec.1'45, p98).

Despite the unyielding position of both sides, however, there was nothing in the situation when the strike began to suggest that it would depart from the normal pattern of such disputes and not settle down into a contest of endurance between a strong union and a well-established company which believed it was fighting for a valued principle. But efforts of state police a fortnight ago to open up the union's mass picket line changed its complexion overnight. All Connecticut unions—A.F.L., C.I.O., and independent—were aroused by what they quickly labeled as flagrant partisanship on the part of the state

government and a violation of civil liberties. In Stamford, a Combined Strike Committee, with a C.I.O. man as chairman and an A.F.L. man as secretary, was formed to plan the three-hour general strike demonstration which was held last week.

• **Festive Spirit**—More like a town fiesta than like a fateful curtain-raiser to bloody revolution, Stamford made of the general strike something as undreadful as a holiday block party. The demonstration made history without an incident. In marked contrast to the Seattle general strike of 1919, which was widely interpreted as the opening maneuver in a battle to sovietize America, and the bitter 1934 fight on the San Francisco waterfront, few prophets of impending disaster can use Stamford as a text.

The festive spirit of the demonstration was not checked by any vocal community opposition to the strike. Shops along the main street—twelve of them between the railroad and Town Hall—carried signs in their windows saying, "We're Right With You in Your



Stamford's general strike (below, right), which took on a festive air, had the tacit approval of Mayor George Moore (below, left), who, flanked by S. L. Newman, machinists' union vice-president, and Jerome Sturm, union counsel, charged Yale & Towne with attempts to intimidate him. And in self defense, shopkeepers crawled among store dummies (right) to post "friendly" signs.



liber-
Strike
cha-
etary,
gen-
field
fiesta
r to
e of
read-
dem-
n in-
Seal-
was
ma-
rica,
San
of ad
stra-
om-
hops
all-
ing,
out

at, Yale & Towne Workers." The police were obviously friendly, and Charles E. Moore has declared, "The only intimidation I've seen has come from Yale & Towne. They hired a publicist, and I was slandered all over the country because I wouldn't get the police out to crack skulls." The Independent, the Stamford Advocate, has urged the company to "accept the maintenance of membership clause for the good of a new contract."

Only Placards Aggressive—On the day of the demonstration, seven ministers of various denominations released an open letter that was interpreted as being pro-union, in which they urged both sides to agree to a study of whether or not the maintenance of membership clause has operated to the advantage of the company, the workers, and the community.

Unburdened by fear of trouble, speakers found the demonstrators' gala mood contagious. Speeches with which the crowd was harangued were more demagogic than aggressive. The most militant note present was on picket signs carried by I.A.M. strikers. Aimed at Yale & Towne's president, the former head of the U. S. Chamber of Commerce, they read, "We licked the Axis, we can lick Carey;" and "Throw Carey out."

The chief company representative in the public eye on the day of the strike was Weldon P. Monson, industrial relations attorney. He led the company delegation to a meeting in the city courtroom at which a dramatic effort was made to settle the dispute. Convening there in the morning that meeting, at which both parties did nothing more, in effect, than reiterate their former positions, broke up at 1 p.m. when the sound of cheering, singing, and band music signaled the beginning of the demonstration outside which no one wanted to miss.

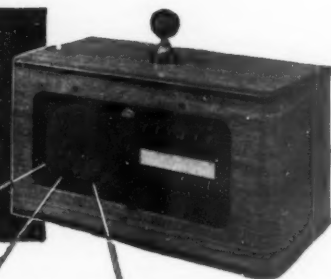
Deserted Factory—In contrast to the clarity engendered by the crowds on Atlantic Ave. and the town's shopping streets, the blocks around the big Yale & Towne factory were deserted as country roads at midnight.

Far down Henry Street, before the factory's main entrance, one elderly man and two teen-age girls warmed themselves over the glowing coals in a salamander. Obviously token pickets, they were not too sure of themselves in directing the observer to strike headquarters.

"Headquarters?" repeated the elderly picket, "why I guess over there in Derby's place," pointing across the tree-lined street to a small eatery. "The cops are in there."

"God Bless America"—And they were. Our heavily mackinawed, pistol-packing

**In Your Office, too
THE SHORTEST DISTANCE
BETWEEN TWO POINTS
is BELfone**



The time you save by using BELfone makes it the shortest distance between any two points—the *quickest* way to get things done in your plant or office. BELfone's instant two-way (talk and listen) vocal contact places any department or executive "just across the desk" from you—assures immediate action on orders or inquiries. No need to wait for messengers or written replies. BELfone also keeps phone lines clear of internal traffic, free for outside calls. Economical



standard units combine to fit your exact needs—any number of stations, any type of service, all the latest features. Write for complete details!



BELL SOUND SYSTEMS, INC.
1187 Essex Ave., Columbus 3, Ohio
Export Office: 4900 Euclid Ave., Cleveland 3, Ohio

• Sales training that produces **SALES**
Just Published

BUILDING A SALES TRAINING PLAN



FOLLOW THESE practical, common-sense rules in building and operating a successful sales training program, checking your present program, or revitalizing an ineffective one. Based on popular articles from *Printers' Ink*, this book not only outlines fundamental sales training principles, but gives specific suggestions from wide field experience for putting them in practice, and shows how trainers may get the vital points across in their programs.

Gives You:

- 16 suggestions for teaching salesmen right work habits
- 17 suggestions for teaching more than product
- 8 points to check to see if your salesman is getting the right impression
- 17 suggestions for coordinating school and field training
- 7-point summary of things all trainers should know
- 7 suggestions on training reports and methods
- 18 suggestions for the retailer in using the sales training plan principles and many other helps

By
EDWARD J. HEGARTY
Manager, Sales Training,
Electric Appliance Division,
Westinghouse Elec. Corp.
108 pages, \$2.00

Do you know how to set up training objects—develop a unit of work for salesmen—audit the results of a plan? How to get the salesmen to continue to use the school methods in the field—how to sell the training plan to the organization—how to teach trainers speaking, presenting the subject, teaching methods? It's all in this book. See it today.

SEND THIS FREE-EXAMINATION COUPON

McGraw-Hill Book Co., 330 W. 42 St., N.Y.C. 18
Send me Hegarty's *Building a Sales Training Plan* for 10 days' examination on approval. In 10 days I will send \$2.00, plus few cents postage, or return book postpaid. (Postage paid on cash orders.)
Name
Address
City and State
Company
Position BW, 1-12-46

THE LABOR ANGLE

Grooming

C.I.O.'s Political Action Committee, which has to put muscle behind Philip Murray's criticism of Harry Truman, now has a second name on its list of "white hopes" for 1948. The first name is, of course, Henry A. Wallace, Secretary of Commerce.

The new name is Chester Bowles, OPA administrator, Connecticut resident, and former advertising agency executive. Bowles gives labor the impression of playing wholeheartedly the "Barkis is willing" role. It is carefully noted that he goes along the C.I.O. line consistently on the price control question and that he has very recently taken positions which the C.I.O. indorses in criticising the National Assn. of Manufacturers; in criticising electrical appliance manufacturers for alleged non-production; in criticising the State Dept. for what he called racial discrimination in employment; and in condemning the Bridgeport (Conn.) Chamber of Commerce survey of manufacturers which held price ceilings and labor trouble responsible for low production rates.

Connecticut's governor, Raymond E. Baldwin, who is on the outs with both A.F.L. and C.I.O. because of his handling of the Yale & Towne strike in Stamford, has to stand for re-election this year. A Connecticut labor movement, united behind Bowles for the gubernatorial race, may give him an opportunity for a warm-up looking toward the Democratic presidential nomination in '48.

Militance

Factions within the labor movement influenced by the Communist Party will now be taking a more militant line as a result of decisions on policy reached by the party leadership. The tipoff to what is coming may be found in the columns of the party organ, *The Daily Worker*.

A recent editorial in the *Worker* calls for a strike at Ford and Chrysler to support the General Motors strikers. The C.I.O. is called upon to back up its threats to walk out in steel and electrical manufacturing. With a not-too-disguised dig at Walter Reuther, G. M. strike leader and long a target of attack by the Com-

munist, the *Worker* declares, "The whole labor movement can now see the futility of the 'one at a time' strategy. As it worked out, the corporations, acting together, are aiming to smash labor unions one at a time."

There is considerable significance in the Communists' taking this new tack. Their forces in the labor movement have been operating either under the old Browder line, of employer cooperation, or under a policy of sheer opportunism. Now they are about to be redirected for a return to leftism and there are practical consequences therein for employers dealing with unions in which the Communists exert some influence.

Insights

The Bureau of Labor Statistics is using the displaced workers from the Ford Willow Run plant as guinea pigs in a continuing survey on what happens to labor during reconversion. A sample group of 307 ex-Ford employees will be reported on periodically—where they've moved to, where they're working, how much they're earning, etc. Hope is that there will be some insights forthcoming, on the human angles of industrial readjustment, from following this group around.

Merger

Continuing the movement toward integration within the C.I.O., the Federation of Architects, Engineers, Chemists & Technicians is amalgamating with the United Office & Professional Workers. These two, essentially craft unions, have been, together with the American Newspaper Guild, C.I.O.'s principal operators in the white-collar field. Though aggressive and leftist in their philosophy and methods, neither has been able to report any great success in nearly ten years of organizing. The dreaded whirlwind campaign to unionize offices has never developed; nor is there any prospect that it will in the near future.

The F.A.E.C.T.-U.O.P.W. merger should strengthen both groups somewhat and their amalgamation may touch off a publicity campaign that promises big stuff, but most employers still have little to worry about from this sector.

state troopers and a city policeman, drinking hot coffee and being amiable and chummy with two girls who were taking turns with the two outside in keeping the plant gate "picketed." A third girl, whose bobby sox underneath her galoshes were immediately assumed, joined the little group, flushed with excitement and shrill with news she brought of the big doings downtown. She carried a crumpled newspaper, the *Militant*, and in response to an inquiry, broke off her story of the parade to reply, "Somebody handed it to me at the meeting. Nope, I don't know where you could get one, unless at the meeting. I never saw it before. Don't know what it says, I haven't read it."

As far as could be seen, the latter day interpretation of the word of Leon Trotsky, with which she kept tapping the porcelain-topped counter in Herby's place to emphasize her story about how much fun everybody was having downtown, was as close as anybody in Stamford, Conn., got to the dictatorship of the proletariat.

Down on Atlantic Ave., promptly at three o'clock, the A.F.L. musician's union band struck up a brassy God Bless America which most of the class warriors joined in singing, and at the end of the second chorus everybody went home.

No Compensation

A campaign for making the Kentucky workmen's insurance law mandatory is started after 24 miners die in blast.

Following the Dec. 26 disaster at the Straight Creek Coal Co. near Pineville, Ky., in which 24 workers lost their lives, United Mine Workers officials of two districts declared that their members would not dig coal in any eastern Kentucky mine which does not protect its employees by workmen's compensation insurance. Although Kentucky has a workmen's compensation law, participation is not obligatory.

• **To Seek Legislation**—Despite a statement by Brent Hart of Louisville, president of the Kentucky Coal Operators Assn., that "every company will comply" with the U.M.W. requirement, plans are under way to seek legislation making the act mandatory. Proponents hope that the Kentucky Court of Appeals will reverse its 1914 ruling that compulsion renders the act unconstitutional.

The significance of the union's announcement is that if other methods fail in securing mandatory compliance, U.M.W. may insist that the 73 Ken-

"YOU SEE, MR. MANUFACTURER,

our climate works with you . . .

"Metropolitan Oakland Area's mean temperature is 56.6° F., nearer to the ideal for greater efficiency than any other large manufacturing center.

"And the spread between mean maximum (for July) and mean minimum (for January) is only 29°—between 72° and 43°.

"Freezing temperature is rare, and there is no snow, no sleet, no slush to contend with. Practically no time is lost because of inclement weather.

"Think of the saving in building costs, in heating costs, in air conditioning costs, in man hours. Think of the increase in production—up to 15 per cent in some cases."



Write for this NEW-West factbook

There are many other just as outstanding reasons for locating your western plant in Metropolitan Oakland Area. Our 48-page book, "It's An Amazing NEW West," gives facts and figures about an astonishing growth in population; our higher-than-average-income markets; our huge pool of skilled and semi-skilled labor; world port advan-

tages for export and import business; central location with fast, low-cost low-cost distribution over three trans-continental railroad systems; cheap and abundant power and fuel.

If your company is interested in the profit opportunities offered by the West, write for this book NOW!

METROPOLITAN OAKLAND AREA

387 Chamber of Commerce Building, Oakland 12, California, U. S. A.

The NATURAL Industrial Center of the NEW West

ALAMEDA • ALBANY • BERKELEY • EMERYVILLE • HAYWARD • LIVERMORE • OAKLAND • PIEDMONT • PLEASANTON • SAN LEANDRO • RURAL ALAMEDA COUNTY



AT YOUR FINGER TIPS

ALL THE INFORMATION ON THIS TERRITORY

And you'll want this information, before you decide where to move or expand your business. You'll want to know all about the fastest-growing industrial section in the country—the West and Southwest.

You'll find the easiest, quickest way to get such information is to consult the Missouri Pacific Industrial Development Department. On the staff of this Department and its Research Bureau are specialists who can help you. These men can give you the *facts*—facts about raw materials, electric power, water, natural gas, labor supply, accessibility to markets... and all facts and figures you need regarding opportunities for the growth of your business in our territory.

Write or wire Industrial Development Department, 1706 Missouri Pacific Building, St. Louis 3, Missouri; or Industrial Development Department, Missouri Pacific Lines, Union Station, Houston, Texas. Your inquiry you may be sure, will of course be treated in the strictest confidence.



MISSOURI PACIFIC LINES



NOW MORE THAN EVER
"A SERVICE INSTITUTION"

tucky mines not covered comply fully with the act before the union signs new employment contracts.

• **May Ask Investigation**—The Straight Creek mine where the gas blast occurred was not covered by compensation insurance. The 24 victims left 23 widows and 135 children, for whom a long-range relief drive is in progress. Had the pit been under the state compensation act, beneficiaries would have drawn up to \$12-a-week benefits for up to 400 weeks, \$150 burial expenses, and up to \$400 medical expenses in certain cases.

The union plans to ask the Office of Price Administration to investigate mines which do not carry insurance. The present price of coal, as allowed by OPA, includes the cost of carrying workmen's compensation, according to union officials.

Higgins Election

Gulf shipbuilder halts liquidation plans after NLRB sets employee vote on A.F.L., C.I.O., or no union.

The question of union representation at Higgins Industries' three major shipyards in New Orleans, one of the issues behind a prolonged strike of A.F.L. metal trades workers (BW—Nov. 10 '45, p105), will be decided in a National Labor Relations Board collective bargaining election. As a result, Andrew J. Higgins has announced that liquidation of the yards has been halted, and that all will be reopened.

• **Middle Course**—The NLRB election contest will be between the A.F.L., the Industrial Union of Marine & Shipbuilding Workers (C.I.O.), which last year challenged the A.F.L. claim of jurisdiction in the Higgins yards, and no union. The shipbuilder, outspokenly critical of his A.F.L. contract, seized upon the C.I.O. challenge of A.F.L. and used it as the basis for refusal to renew his A.F.L. contract. The strike followed.

NLRB's election directive took a middle course between A.F.L. and C.I.O. in deciding which workers should be eligible to vote. A.F.L., worried about a shaky representation claim, demanded inclusion of construction workers (solidly A.F.L.) and foremen.

• **Strikers Included**—The two groups would have tipped the scale heavily in favor of A.F.L. The C.I.O., on the other hand, demanded exclusion of all A.F.L. workers participating in what it called an illegal strike. After hearing arguments, NLRB rejected both unions' demands, made eligible all production



MEN AT WORK

In sheer comfort, Walter Marks (left), representing the trade, and Nathaniel Spector, labor spokesman, discuss what's coming in ladies' spring hats. Marks, president of Eastern Women's Headwear Assn., and Spector, manager of United Hatters, Cap & Millinery Workers (A.F.L.), New York Joint Board of Millinery Workers Unions, were among delegates to a Miami Beach millinery promotion conference sponsored by the industry with union blessing. In fact the union recessed contract negotiations to help.

and maintenance workers on the payroll immediately preceding the date (Dec. 29) of its directive. It specifically included strikers and employees who had been laid off because of the A.F.L. strike. Foremen and construction workers were declared ineligible.

Only one of the three Higgins plants is currently operating. The large Industrial Canal shipyard is now reported by Higgins as in full operation, with "practically all" the employees it needs.

• **Sale Is Factor**—Reopening of the other two plants, with A.F.L. sanction, is considered contingent upon the expected assurance by Higgins that he will negotiate a contract with A.F.L. if it wins representation rights.

What makes quick settlement of Higgins' labor troubles appear more certain is the announcement (page 80) that a portion of Higgins Industries, now owned by the Higgins family, is to become a public corporation. Closed plants, strikes, and other labor tangles are not conducive to sale of a corporation's stock.



Steel Sheets Thinner Than a Human Hair?

Yes... and they'll soon have a lot to do with our every-day life. Some of these electrical steels — thinner than this sheet of paper — are being made in the Armco precision cold strip mill pictured above.

During the war they were used in combat walkie-talkies and radar equipment. Some day, soon, you'll find these ultra-thin steels in high-quality radio sets, television sets and other electrical devices.

These steels are one of the latest examples of research by Armco — long known as the nation's leader

in special-purpose sheet steels. Leading manufacturers are using those and other Armco special-purpose steels to insure metal quality in their products.

The familiar Armco triangle trademark has been a dependable guide to quality in sheet steels for 32 years. In the days ahead it will continue to identify sheet steels developed expressly to give longer life and greater economy to products for home, farm and industry. The American Rolling Mill Company, 261 Curtis Street, Middletown, Ohio.

FOR EXPORT: THE ARMCO INTERNATIONAL CORPORATION



The American Rolling Mill Company

Special-Purpose Sheet Steels



IT'S WHAT GOES ON
INSIDE
THAT COUNTS

Inside an engine, Pedrick Rings cut oil costs "to the bone"

THERE'S NO MYSTERY to the performance you get with Pedrick rings. No magic or mirrors. You can rely on Pedrick "Heat-Shaped" rings to cut down excess oil-consumption, to stop excess wear and "blow-by," to get the most out of every engine.

Heat-Shaping is an exclusive Pedrick process that gives rings just the right pressure . . . not for just a short time but for the full life of the ring. And not just for certain parts of the ring, but all the way round. It's the Pedrick way of insuring you an "all-round" ring for all-round use.

Your cars, trucks, and buses will perform better and more economically when you recondition with Pedrick rings in *guaranteed* Engineered Sets, tailored for the particular requirements of each individual engine. Specify Pedrick rings also for efficient operation of Diesels, compressors, hydraulic cylinders, and all types of equipment where pressure must be controlled. WILKENING MANUFACTURING CO., Philadelphia 42, Pa. In Canada: Wilkening Manufacturing Co. (Canada) Ltd., Toronto.

Pedrick
precisioneered PISTON RINGS

Utility Dilemma

If lighting company obeys Public Service Commission and provides picketed houses with service, it courts a strike.

Refusal of public utility union electrical workers to cross another union picket line may not be used as a defense against complaints that the utility is not complying with its legal obligation to supply service, according to a recent New York Public Service Commission ruling.

In effect, the ruling juggled a hot potato back into the unwilling hands of the Long Island Lighting Co., which now finds itself ordered by the commission into a line of action which would constitute a violation of its union contract and lead to a strike.

• **Stiff Penalties Possible**—Since the underlying situation—nonunion operations by a building contractor—can be expected to show up in other sections of the country as residential building work expands, what the Long Island utility management now does will be closely watched. If what today is an unique situation later becomes a common one nationally, then precedent will be set by Long Island's efforts to extricate itself from its present dilemma.

What the Long Island management faces is this: If it fails to comply with the commission directive to install its lines to homes picketed by the Building Trades Council (A.F.L.) after a reasonable grace period, it will be liable for penalties of \$1,000 a day for each home to which it fails to supply service. On the other hand, if it does comply, by employing electricians willing to cross picket lines, it will be struck by its entire union personnel. Service to all customers will be cut off.

• **Hope for Court Guidance**—At midweek, the company's legal department was pondering the two alternatives, and finding its only real hope in the possibility that court guidance might be obtained. The Public Service Commission order made it clear that the commission, no less than the utility, would welcome a clear-cut adjudication of how the utility could fulfill its double obligation, in this case, of furnishing service to all on an equal basis and at the same time protecting its employees "from any embarrassment or claim that they have violated their obligation to their union."

The complaint was filed with the Public Service Commission by a builder, Levitt & Sons, Inc., of New York. The company, which professes firm opposition to shop convictions, constructed 37 one-

a
obey
on and
s with
on elec
union
as a de
e utility
obligation
a recent
mission
d a bar
hands e
which
commis
would
on con
the us
eration
be ex
ions e
g with
utility
closely
unique
on one
e set b
itself
gement
y with
fall i
building
reason
ble fr
home
ce. On
oly, b
to cro
its ex
ill cur
it mid
tment
s, and
posse
be ob
mission
ission
lcom
e uti
on, i
to al
time
y em
e vi
ion. h
the
ilder
The
oper
one

family houses of a projected 1,000, using nonunion labor. When attempts to organize the Levitt & Sons building crews failed, A.F.L.'s Building Trades Council threw a picket line around the home project. Some of the homes were sold and title passed when A.F.L. pulled a new weapon out of the bag.

Refused to Cross Lines—When Long Island Lighting ordered installation crews to run lines to the group of new homes, its employees—members of the International Brotherhood of Electrical Workers (A.F.L.)—refused to cross the picket lines. The utility then informed Levitt that, because of its labor contracts, it could not furnish service until the contractor reached an agreement with the A.F.L. and pickets were removed. Since that would mean surrender to A.F.L. closed-shop demands, Levitt refused and countered with notification that the utility charter requires service to all new homes built in its territory. Charges to the state commission followed.

By a four-to-one majority, the commission charged that the utility had made "mere token efforts" to install lines, and could not be excused "from discharging its statutory obligation until it has made a thorough effort to have the matter in controversy determined by an appropriate tribunal." The dissenting member argued that the state body had no jurisdiction because the case involved was primarily a labor dispute, and that it "would be fruitless . . . to order the company to install the services requested when the order cannot be carried out by the company" because of its contractual obligations to its union.

Protest to Commission—The electrical workers' union, protesting the commission decision, emphasized that it had no dispute whatever with the Long Island Lighting Co., but that if the utility is forced to disregard the A.F.L. picket line, there will be no alternative to a strike against the company by all union employees.

UNION WOOS PLANTS

Cities are finding new sources of help for their efforts to attract new industries.

In a move similar to that recently taken by Wichita (Kans.) machinists (BW—Nov. 3 '45, p96), the Evansville (Ind.) Central Labor Union (A.F.L.) inserted an advertisement in the Chicago Journal of Commerce, inviting industry to locate in Evansville, where the A.F.L.—"not the noisiest but . . . the dominant union in Evansville"—boasts "not one man-hour was lost because of work stoppage, walkout, or strike" throughout the war.

Obvious objectives are (1) to increase

GOING NUTS over a new Tag or Label Problem?



PUT IT UP TO Dennison and Relax!



THE current trend towards letting the merchandise speak for itself in retail stores gives new importance to point-of-sale tags and labels. In solving this problem, you will save a lot of wear and tear on yourself by putting it up to Dennison first.

Dennison's experience in producing informative labels and talking tags covers practically every type of product manufactured. We can give you valuable tips on making tags and labels that are distinctive, catch the eye, and strike a strong buy-now note.

In addition, Dennison recommendations include practical advice on the best way to affix tags and labels to your product. For example, among the many Dennison methods of attaching tags are our new Snap-Lok and barb fasteners, as well as button-slot or special tongue-slot constructions.

Remember, too, that you do not have to pay a premium price for experience and know-how when you put your problem up to

Dennison

PAPER PRODUCTS THAT PRODUCE RESULTS



FREE—ILLUSTRATED BOOKLET—Our booklet "If You Could Only Be At Every Point Of Sale" is full of practical information on how to make your product more salable through correctly designed tags and labels. Just fill in and mail coupon and we shall be glad to rush a copy to you.

TAGS • LABELS • SEALS • SET-UP BOXES • MARKING SYSTEMS • PAPER SPECIALTIES

Dennison Manufacturing Company 180 Ford Ave., Framingham, Mass.	Name.....
Please send me without obligation, booklet "If You Could Only Be at Every Point of Sale."	Firm.....
	St. & No.....
	City.....Zone.....State.....

EMERGENCY ENGINEERING

to push your LAGGING development and engineering program through—today . . . spare you lost production PROFITS tardy engineering costs you.

Our specially trained crews of reconversion engineers are geared for speed. Work in our shop, or under your supervision in your own drafting rooms—for a week, or month or longer until you get caught up. Right now more than 30 B & R crews, numbering 1 to 33 men, are helping anxious manufacturers get into production FASTER.

WHAT WE DO THAT'S IMPORTANT TO YOU

- 1 Electronics Engineering
- 2 Product Engineering
- 3 Machine Design
- 4 Tool Design
- 5 Plastics Engineering
- 6 Drafting
- 7 Food Technology
- 8 Product Creation, Styling
- 9 Plant Layout
- 10 Instruction Manuals
- 11 Model Making
- 12 Package Development

Action
WHEN YOU
NEED IT
FAST

BARNES & REINECKE

INDUSTRIAL DESIGNERS & ENGINEERS
230 E. OHIO STREET
CHICAGO 11 DELAWARE 6350

STAFF OF 181 TWELFTH YEAR

jobs in Evansville and (2) collect local goodwill by this demonstration of civic-mindedness. Although the ad says that information about locations, transportation, and other matters can be obtained from the Chamber of Commerce, the A.F.L. advertiser takes no chance that the active C.I.O. automobile and electrical workers' unions in Evansville might cash in by contacting prospects who write the C. of C. It suggests that inquiries be handled through the Evansville C.L.U. office.

Voice of Labor

Radio networks continue weekly sustaining programs to give unions chance to express views on controversies.

Three major radio networks which yielded last year to organized labor's demands for a voice on the air (BW—Jul. 7'45, p94) have found the policy of allowing 15-minute weekly sustaining (free) programs sufficiently successful to justify continuing them during 1946.

As a result, American Federation of Labor views on domestic issues will be aired for the first 13 weeks of this year on the National Broadcasting Co.'s "America United" labor, business, and farm forum (Sundays, at 1:15 p.m., E.S.T.). The 1945 series on NBC was so successful that the network is consid-

ering expanding the allotted time to 30 minutes a week.

• **Commentator Assigned**—The Columbia Broadcasting System has assigned William Downes, one of its commentators, to conduct 13 weekly on-the-spot interviews with officials of the Congress of Industrial Organizations and rank-and-file members of its affiliates. Workers' problems and national issues will be discussed (Saturdays, 3:45 p.m., E.S.T.).

C.I.O. will be labor's representative on the second 13 weeks of NBC forum, and A.F.L. will replace the industrial union on CBS's labor interview series.

C.I.O. will sponsor the American Broadcasting Co. series of "Labor U.S.A." (Saturdays, 6:45 p.m., E.S.T.) during the first half of 1946, and A.F.L. will have the same time during the latter half of the year. Current format is dramatization of national issues of the day, from the working man's standpoint.

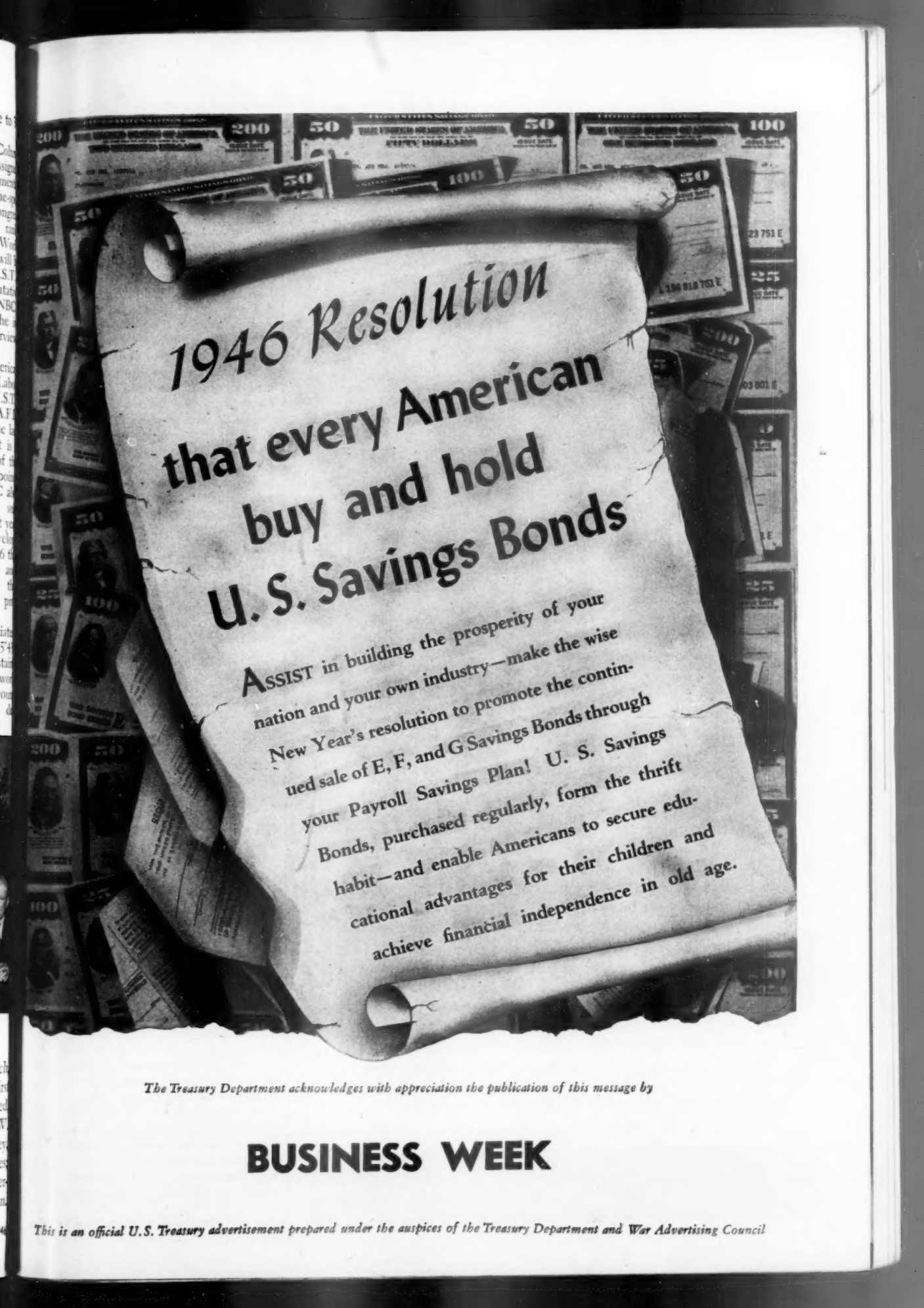
• **Management Given Time**—ABC also is devoting a 15-minute weekly slot to management groups. Last year the Committee for Economic Development was the sponsor; during 1946 the National Assn. of Manufacturers and the Chamber of Commerce of the United States will alternate with programs, Sundays at 7 p.m., E.S.T.

Mutual and the new Associated Broadcasting Service (BW—Dec. 15'44, p80) had scheduled no regular sustaining time for organized labor network broadcasts, and Mutual still was encountering old "freedom of the air" de-



NEW BOARD WITH AN OLD JOB: STABILIZATION

The New Year ushered in the new National Wage Stabilization Board, which taking over some of the functions of National War Labor Board, held its first meeting last week in Washington (BW—Jan. 5'46, p90). Present were (seated left to right): Earl Cannon, industry member; Sylvester Garrett, Chairman W. Willard Wirtz, public members; Robert J. Watt, A.F.L.; Carl J. Shipley, C.I.O.; (standing) James D. Marshall, A. Colman Barrett, industry alternates; John H. Leonard, Walter Mason, A.F.L. alternates; David R. Stewart, alternate for C.I.O. Second industry member, R. Randall Irwin, is not shown.



1946 Resolution that every American buy and hold U. S. Savings Bonds

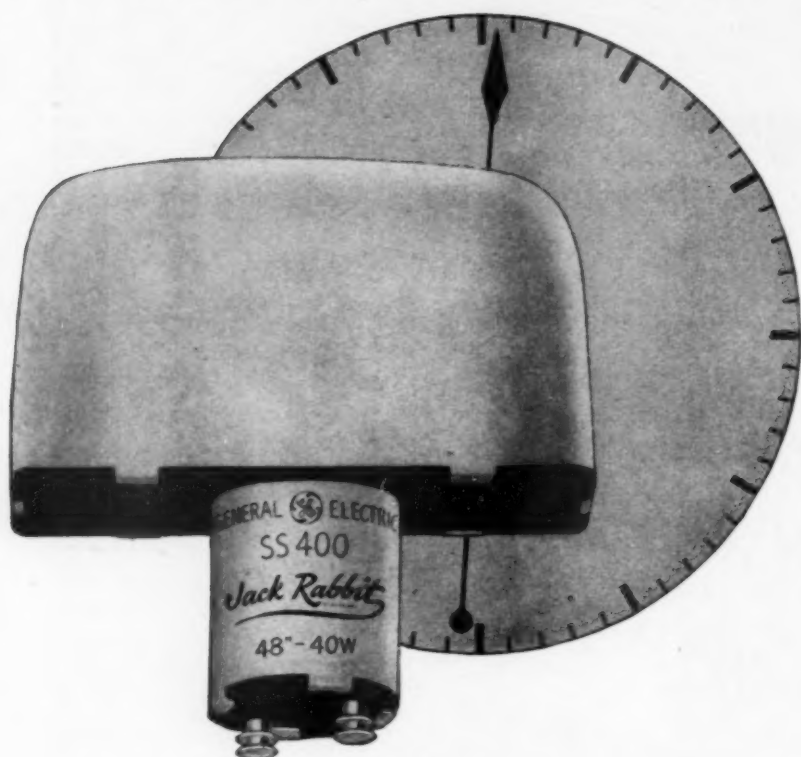
ASSIST in building the prosperity of your nation and your own industry—make the wise New Year's resolution to promote the continued sale of E, F, and G Savings Bonds through your Payroll Savings Plan! U. S. Savings Bonds, purchased regularly, form the thrift habit—and enable Americans to secure educational advantages for their children and achieve financial independence in old age.

The Treasury Department acknowledges with appreciation the publication of this message by

BUSINESS WEEK

This is an official U. S. Treasury advertisement prepared under the auspices of the Treasury Department and War Advertising Council

FOR A SPLIT-SECOND START



Equip Fluorescent Fixtures With

G-E *Jack Rabbit* Starters

With the new G-E Jack Rabbit installed in your fluorescent lighting system, you have the advantage of split-second starting and protection against blinking for 40-watt fluorescent lamps. On top of that you have economy of operation. The Jack Rabbit, which is for use with conventional low cost ballasts, provides approximately 13 per cent greater over-all operating efficiency than high-voltage instant-starting ballasts.

This combination of features is exclusive with the Jack Rabbit, which is the reason why this new starter has attracted wide interest wherever fluorescent lighting is used. Your system will be improved and modernized with the Jack Rabbit—its quick, efficient starting and protection against dead lamp flickering are benefits of direct value to you.

For additional information about the Jack Rabbit write to Section G161-102, Appliance and Merchandise Department, General Electric Company, Bridgeport, Connecticut.

GENERAL ELECTRIC

mands as the new year got under way. Sponsorship by General Motors of a series of broadcasts by Henry J. Taylor was criticized by the unions, and Taylor's first broadcast on Dec. 28—in which he supported G.M.'s position in its current wage dispute—resulted in an immediate demand by the United Auto Workers (C.I.O.) for a "series of sustaining periods" to reply to what it criticized as Taylor's "antiunion" statements. Mutual agreed to let U.A.W. have 15 minutes.

• **Time Sale Restricted**—Meanwhile, unions were finding it possible to buy more time for broadcasts over local stations, but only one network had taken a definite stand on permitting organized labor to purchase radio time for discussions of controversial issues.

ABC, which pioneered with that long-demanded right for labor (BW-Oct. 20 '45, p106), later restricted the sale of time for controversial broadcasts to between 10 and 11 p.m. in an announcement which said ABC wanted to insure all parties in disputes that there could be no favoritism in open times.

MOVIE CRAFT LINES STAKED

The bitter jurisdictional struggle which erupted into an eight-month strike in Hollywood's major motion picture studios (BW-Nov. 3 '45, p107) was ended officially this week.

An A.F.L. arbitration committee settled it on strict craft lines, reiterating jurisdictional boundaries created in 1925 for each of the studio unions.

To the painters union, which staged the strike and won a wide following among other crafts, the committee gave jurisdiction over the handful of set decorators around whom the strike evolved.

The stagehands union, which fought the strike, won jurisdiction over all stage work during picture production, including stage carpenters, grips, set electricians, lamp operators, and sound crews. In construction of sets and in maintenance of stationary electrical equipment, however, the established unions of carpenters, electricians, machinists, etc., were given exclusive jurisdiction.

For Herbert Sorrell, business agent of the painters and leader of the strike, the award was not an unmixed blessing. The committee recommended that studio office workers, whose Screen Office Employees Guild affiliated with the painters, be surrendered to the A.F.L. Office Workers International, not heretofore in the Hollywood fight.

A second blow to Sorrell this week was his conviction, in Los Angeles County superior court, of contempt of court for defiance of the court's picketing restrictions at the Warner Bros. studios in October. Sorrell appealed.

THE INTERNATIONAL OUTLOOK

BUSINESS WEEK

JANUARY 12, 1946



The limelight is on the United Nations Organization this week, and other vital world conferences are coming into the headlines, but you should watch Congress for clues to the next international moves vitally affecting business.

Until the \$4,400,000,000 British credit is approved on the Hill, the Administration refuses to push plans for tariff cuts with the 14 nations already invited by Washington to negotiate new trade pacts.

Nor is the President willing to risk a showdown on the urgent issue of enlarging the capital of the Export-Import Bank until Congress has received and approved pending proposals for a string of key lend-lease settlements—next of which will be with France.

Both obstacles, however, are expected to be cleared by mid-March.

Meanwhile, don't miss a number of international political maneuvers which have a direct bearing on this country's foreign trade outlook.

Washington's power to intervene in the Balkans is just about as flimsy as it was before the Moscow conference.

The Soviet Union will continue to dominate that area, both politically and economically.

But the same face-saving technique which provided for modest changes in Rumania and Bulgaria has been applied also in the Far East.

The U. S. remains dominant in Japan—and with Moscow's acquiescence—despite the nominal inclusion of the Soviet Union in the Control Council and the routine protest of Gen. Douglas MacArthur.

Likewise, you can expect little change in Spain in the immediate future, though there may be diplomatic fireworks.

The French want to break diplomatic relations with Madrid.

Washington, despite its open disapproval of Franco, has no plan of action and acknowledges its lack of faith in a diplomatic and economic embargo.

The Soviet Union—with almost no business at stake—would join in such a program immediately. But Britain is so dependent on food supplies from Spain that London is unlikely to put pressure on Franco.

Washington's bargaining power, which hinges on petroleum supplies that Spain desperately needs, is weakened by Madrid's ability—since the war—to play us against the Dutch, who are trying to recoup oil markets.

As a result, U. S. business can look for no early easing of Spain's economic squeeze play against this country.

Madrid will continue to parcel out dollar exchange for U. S. imports in inverse ratio to the diplomatic pressure from Washington.

Keep an eye on Brazil for the next few months. Washington has no idea whether newly elected President Eurico Caspar Dutra can maintain himself in office, or what his attitude toward the U. S. will be.

But he can be expected to play for U. S. backing and, in the face of Washington's bad relations with Argentina and the necessity for creating a favorable political atmosphere for the March meeting of the Pan American republics in Rio de Janeiro, the U. S. almost certainly will support him.

Longer-term issues, however, are also at stake in Brazil.

The country is potentially the richest in South America, but it needs

THE INTERNATIONAL OUTLOOK (Continued)

BUSINESS WEEK
JANUARY 12, 1946

population, capital, and technical know-how if it is to be developed quickly. Recent government regulations have been antagonistic to foreign investments, and the country has drastic regulations against immigrants.

During the coming year world business should have clear indications whether this attitude will change and what big-scale opportunities for investment will be offered.

•
Direct economic trends of equal importance with diplomatic moves are developing.

Plans for German deindustrialization are being significantly modified by Allied Control authorities in Berlin.

Steel production seems now to be destined for a cutback to a base of 8,000,000 tons, from the prewar total of 22,000,000. Earlier estimates placed the new total nearer 5,000,000 tons (BW—Jan. 5 '46, p 19).

With only three weeks to go before the deadline at which the deindustrialization plan is to be set, watch Berlin for specific announcements which will determine:

(1) How much German equipment is to be available for reparations.

(2) How much of a market and a competitor Germany is likely to be in the future—and in what lines.

•
Rumors that Soviet troops are rapidly being pulled out of eastern Europe are now confirmed by reports from Business Week's representative in Prague.

Three months ago Soviet military authorities requested winter billets in Czechoslovakia for a minimum of 300,000 troops.

Since then, all but a small police force and a group of control officials have been withdrawn to Russia.

This apparently results from local protests about the lack of order among Russian soldiers as well as from Moscow's nervousness over the difficulty of maintaining rigid discipline among forces outside the Soviet Union.

•
These same reports indicate punctiliously correct relations between Russian and Czech authorities.

Moscow is complying strictly with its economic commitments with neighboring countries, but there is doubt in Prague whether either the Soviet Union or Czechoslovakia can carry out the whole trade program on schedule.

Czech industry is hamstrung by a lack of coal and transport facilities.

Before the winter ends, the Russians may run into comparable difficulties.

•
Eastern Europe is also tempering its recent exaggerated admiration for Soviet industrial developments.

Russian cotton delivered to Czechoslovakia, for instance, was on the whole of good quality but was hopelessly unstandardized. As a result, slow handling at the textile plants has slowed down badly needed textile production.

Also, the Czechs are impressed with the number of U. S., rather than U.S.S.R., trucks and planes used by the liberating Soviet forces.

BUSINESS ABROAD

Russia Goes Local

To boost consumer goods, Soviets loosen controls, and place more responsibility upon individual industries.

The Soviet Union has now put into effect a drastic program for raising consumer goods output to satisfy its people—who have waited not just through the war, but for many years before it, for the promised "fruits of socialized production."

Local Responsibility—Significantly, this program provides for a decentralization of distribution and production controls, something which had been hinted at before the outbreak of the war. This move places greater responsibility upon individual enterprises and upon the commissariats of the Union Republics and reduces the omnipotence of the All-Union (Moscow-centered) People's Commissariats of industry.

The new plan, taking effect with the first quarter of last year, flows from a Sept. 5 decree of the Council of People's Commissars, which was followed promptly by an all-Russian conference of representatives of local industries, industrial co-ops, and war-invalid co-ops which met in Moscow for several weeks. This conference could recall that early in 1941 Moscow had finally admitted the impracticability of determining exactly the nationwide needs for nuts, bolts, nails, and other minor items of supply once there were hundreds, instead of a handful, of factories producing such items.

Through Local Channels—Under the decentralization decree, 50% of local industrial output subject to regional and district jurisdiction is to remain at the disposal of regional and territorial executive committees, Councils of People's Commissars of autonomous republics, and cities under republic jurisdiction. These goods are to be sold to the population through regular local business channels. (Heretofore, although local industries—chiefly light manufacturing—were under local jurisdiction, their output was subject to allocations from Moscow.)

The remaining 50%, plus the production of those industrial enterprises which are subject to republican jurisdiction, are to be distributed by the Council of People's Commissars of the Union Republic. (This effectively places the products of local, district, regional, and

republican industries which are not responsible to All-Union commissariats outside the distribution controls in Moscow—except so far as the general level and nature of production is predetermined by the State Planning Commission and by allocations of materials and funds subject to centralized control.)

To Turn Over Plants—The All-Union and Union Republican industries are to turn over their facilities for the production of articles of mass consumption to local industries, industrial co-ops, and war-invalid co-ops. In return, the local producers may sell their output at wholesale prices to those industries which have relinquished 50% of their facilities for producing consumer goods. The goods sold to such plants are then to be resold to the workers and employees of the plant.

The plan provides that the All-Union and Union Republican industrial units may produce semimanufactures for local industries engaged in consumer-goods production and in return get up to 50% of the finished goods available in their respective areas.

To increase on-the-spot finishing and consumption of local products, 75% of metal and rolled steel produced by local industries is to be used for local requirements (such as reconstruction) and not be subjected to centralized distribution controls and perhaps to diversion into other areas.

Important Lines Involved—How extensive this transfer of control may be

is indicated to a degree by the list of goods, produced by local industries, which are now to be exempted from such centralized distribution controls: iron, steel, furniture, cotton, glass products, bricks, coal, chalk, alabaster, tile, and envelopes.

In addition, the Union Republics have been urged by Moscow to bend every effort to speed the restoration of war-shattered, as well as the further development of, local industries producing cotton goods, flax fibers, and rubber shoe soles.

Wage Incentives Provided—As an incentive to fulfillment of production quotas and to encourage local industries, three grades of awards for "mass production of high-quality goods" have been decreed. These will result in annual money payments and individual salary raises for the workers and managers of local industries.

The chief criticisms of consumer goods producers, voiced at the Moscow conference, concerned the sacrificing of quality for quantity, slowness in reconversion of plants, and a tendency to produce simple products in lieu of needed complicated ones (spoons instead of watches). Consequently, goods reaching the public were below standards set by the state and expected by the public. When only a trickle of goods reaches the market, one official indicated, price rises are inevitable and only the mass output of consumer goods will be able to satisfy Russia's cavernous needs.



FOR THE RIDE BACK TO NORMAL

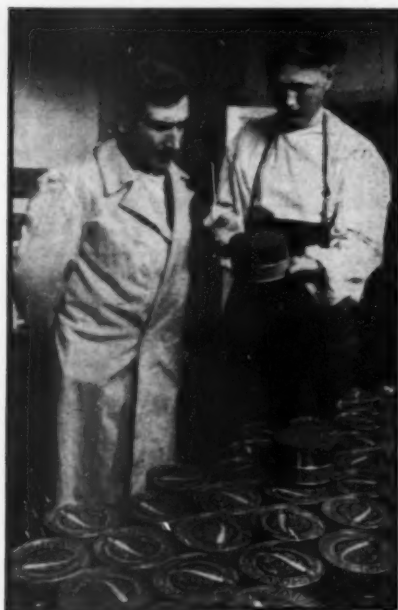
Rows of single diesel-powered train units on assembly lines in the nationalized Renault automobile works near Paris attest France's progress in licking a major bottleneck on Europe's road back—transportation. Its roadbeds and rolling stock mangled by the sweep of war, France, sorely in need of coal for its industrial rehabilitation, has managed a fast transport comeback chiefly with United States-built equipment, now is concentrating on building its own.

Baltic Corner

Sweden, with its modern fleet, seeks to hold shipping lead, gain new markets. Right now, it's ahead in the race.

STOCKHOLM—While the rest of the Scandinavian countries struggle to revive home industries and recover their export trade, Sweden, largely unscathed, and hampered by few restrictions, is punching way ahead in the fight to corner Baltic markets.

• **Jump on Competitors**—Sweden, taking full advantage of its current favorable shipping position, is not confining the battle to northern Europe alone, but is making an all-out effort to retain



RUSSIA'S GOLDEN EGGS

At the Achuyev Fish Processing Factory, Soviet workers inspect a "gold mine"—rows of tinned caviar, renowned delicacy which Russia hopes to sell to this country to help pay for postwar imports. And this week, in New York, a 45,000-lb. shipment—about \$800,000 worth—was being unloaded for delivery to Hansen Caviar Co., a leading distributor. This was one of the most important Russian caviar shipments since the arrival of the first post-Pearl Harbor load last February. More shipments are expected—to retail at about \$20 for 14 oz., about twice the prewar price.

and expand war-won trade gains throughout the world (BW—Aug. 18 '45, p112).

Whether the Swedes can hold their own when the other nations get squared away remains to be seen, but, as of the moment, the Gustav government has the jump on all competitors.

• **Unique Position**—With the German and Japanese merchant fleets wiped off the high seas, and French, Dutch, Norwegian, Italian, and Danish shipping severely crippled, Sweden finds itself in the unique position of being the only country in the world (with the exception of the U. S.) that was able to renew its merchant fleet normally during the war.

At the beginning of hostilities in Europe, Sweden's merchant fleet totaled 1,619,000 tons. Despite the sinking of 204 ships, 1945 found merchant tonnage at 1,571,000. As most of the ships that were sunk were old tramp steamers, the opening of the 1946 trade battle finds Sweden in the ring with a highly modernized merchant flotilla.

Although United Maritime Authority controls will not be lifted until Mar. 2, Sweden already has put "free" ships on the high seas. Vessels of the Svenska Orient Line, for example, already are making regular calls at ports in the western Mediterranean. Demands for goods from the Levant are so heavy that Sweden cannot possibly fill all the orders.

• **Aware of Weakness**—The move into the Mediterranean typifies the Swedish initiative in world trade. Import and export concerns are putting on the same kind of "Sell Sweden" campaign in the Mediterranean (and the Baltic) that they have been carrying on in their drive to hold on to their war-won South American trade (BW—Nov. 17 '45, p118).

Although the picture looks rosy now, Swedish maritime experts have no illusions about the future. Biggest weakness in the Swedish import-export setup is the country's high cost of production, for its abnormal trade position becomes precarious as soon as other countries, with lower manufacturing costs, begin moving in on the scene.

• **Denmark Makes Progress**—Sweden's ability to hang on to trade will depend on several factors. The first threat might possibly come if Britain and the U. S. become involved in a freight rate war. The number of vessels that America decides to tie up or release also will have an effect on the Swedish trade setup.

Of the other countries making up the Scandinavian bloc, Denmark is second in making the most progress in getting back on its feet. Unlike other Nazi-occupied countries, Danish economy did not suffer too much under German domination. Its shipping, however, suffered tremendously. Today its mer-

Clever, These Swedes!

LONDON—One of the biggest problems confronting the Swedish Lloyd Co. in the resumption of its Gothenburg-London passenger traffic, planned to begin next March, is how to find accommodations for travelers in London's overcrowded hotels.

The Swedes, not wishing to lose this business, which saw 30,000 passengers a year traveling the Gothenburg-London route before the war, have placed a proposal before the Port of London Authority—whereby the Swedish Lloyd ships would remain in port longer than normally in order to serve as "floating hotels."

chant fleet consists of 700,000 tons—against 1,176,000 tons in 1939.

• **Ships on Order**—Norway—which lost 418 requisitioned ships (2,917,652 tons) during the war—is the hardest hit of all Baltic countries. The Haakon government is looking to Sweden to help rebuild Norway's merchant fleet. Orders for 27 cargo liners, five motor ships and two tankers—a total of less than 350,000 tons—for delivery between 1946 and 1948 have been placed in Swedish shipbuilding yards. As part compensation from Germany, Norway is expected to receive approximately 40,000 tons of shipping.

Despite the lack of shipping, the Norwegians are doing their best to resume direct foreign trade with the rest of the world by signing new agreements. Latest such pact, calling for mutual credits, was made with Belgium.

• **Out of the Picture**—Finland, by virtue of having had to turn over its ships to Russia under the terms of the armistice, is out of the world market picture completely. Only 18 ships (45,000 tons) are employed in home traffic. The rest of the Finnish merchant fleet (226,000 tons) is working for the Soviet Union.

The hard-pressed Finns are turning to the Swedes for help. Helsinki has made arrangements with the Swedish Orient Line for joint traffic to the eastern Mediterranean, and with other Swedish companies for trade with North America, Spain, and Italy.

• **Key to the Baltic**—With all other countries of the Scandinavian bloc heavily dependent on Sweden, Stockholm figures to hold the key to Baltic economy for several years to come. Whether it can carry out its ambitious program to capture a large chunk of the markets previously served by Germany remains to be seen.

American traders, taking full cogniz-

gest
ed-
tion
sen-
text
oda-
on's
to
30-
the
fore
be-
rity
oyd
nger
e as

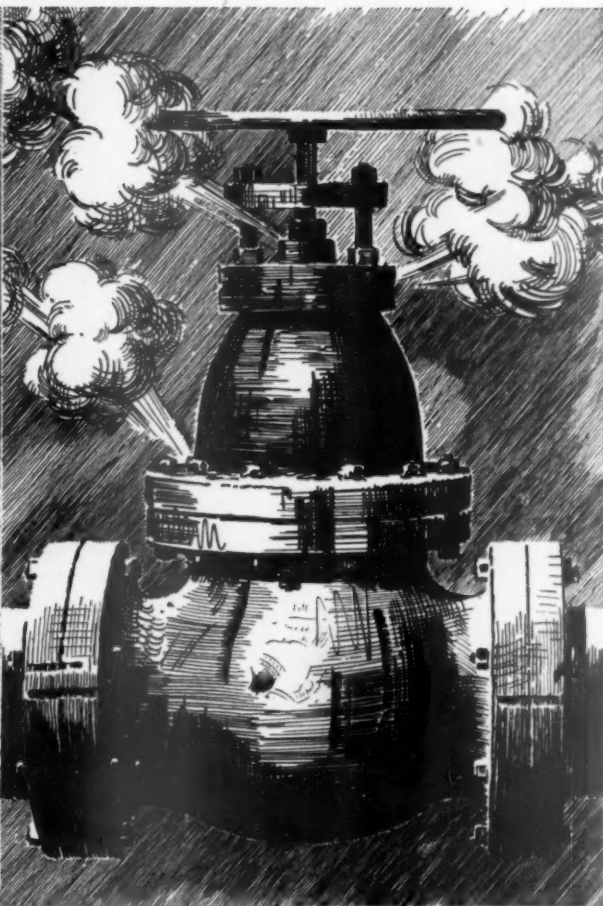
tons-

h los
2 tons
of all
govern
elp re
Order
ships
s than
between
ced in
s par
rway
ly 40

g, the
est to
th the
agree
ng in
gium
by via
s ship
arms
pictur
0 tons
he res
26,000
Union
ning to
s made
Orien
easter
weddis
Ame

othe
ble
Stock
Balt
come
amb
chun
by Ge
cogni

2, 19



Today's Robber Baron

A **ROBBER BARON** of yesteryears was a piker. For sheer pilfering, consider the outworn valves in your plant today.

Valves already old before the war, yet not since replaced — valves worn beyond economical repair through the owner's overload — literally exact fortunes from industry day through failure at critical process points, through slow shutdowns, through constant pampering and repair. They are probably stealing from you right now. This is the time to weed out costly and unreliable valves *before they cause trouble*. To replace them with valves that give you the most dependable operation, at the lowest cost in the long run — Jenkins Valves. Jenkins' superior craftsmanship, materials and design, are your best insurance of ultimate economy with

reliability. *But which valves should be replaced . . . ?*

Fortunately, Jenkins Engineers have evolved a fool-proof plan, thoroughly tried in practice, to answer this question. Jenkins Bros. "VALVE RETIREMENT PLAN" spots the valves it is economical to replace. Not an advertising promotion, not "just another set of records" . . . but a sound service offered by Jenkins to solve your post-war valve problems. Invaluable to management, operating executives, engineers, yet does not cost you a penny! Mail coupon *now* for a free Jenkins Bros. "VALVE RETIREMENT PLAN" with valve record sheets.

Jenkins Bros., 80 White Street, New York 13;
Bridgeport; Atlanta; Boston; Philadelphia; Chicago;
San Francisco. Jenkins Bros., Ltd., Montreal; London.



LOOK FOR THIS



DIAMOND MARK

JENKINS VALVES

SINCE 1864

For every Industrial Engineering, Marine and Plumbing-heating Service . . . In Bronze, Iron, Cast Steel and Corrosion-resisting Alloys . . . 125 to 600 lbs. pressure.

Sold Through Reliable Industrial Distributors Everywhere

FREE! TEAR IT OUT! SEND IT IN TODAY!

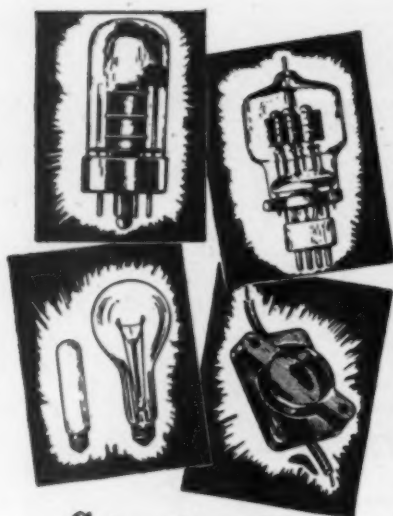
RETURN COUPON

JENKINS BROS., 80 White Street, New York 13, N. Y.
Please send me without charge or obligation, the JENKINS BROS. "Valve Retirement Plan" with a set of valve record sheets.

Name _____

Company _____

Address _____



Sylvania selects SUNROC

Sylvania Electric Products Inc. . . . one of the big manufacturers of electrical and electronic devices such as those pictured above . . . uses Sunroc Water Coolers for the comfort and convenience of its workers.

This manufacturer, like so many other leaders in American business and industry, knows the importance of good drinking-water in furthering satisfactory employee-relations. Sunroc Water Coolers were chosen because of their noteworthy efficiency, dependability, and economical, trouble-free operation.

Today's Sunroc Coolers are the result of years of specialization. There's no finer cooler on the market today. There are Sunroc models adapted to your specific needs, whether your establishment is a small office, or a concern employing, or catering to, thousands. Get full details by writing Dep't BW-1, Sunroc Refrigeration Company, Glen Riddle, Pa.



"There's nothing like a cool drink of water"

SUNROC
Water Coolers
GLEN RIDDLE, PA.

ance of the abnormality of the situation, are not concerned by the fact that Sweden is getting the jump on the rest of the world. But whatever the ultimate outcome, the fact remains that for the moment, Sweden is riding high. Its industrial production, for example, is now at its peak since the instituting of the Skagerrak blockade.

• **Abundant Life**—Today Stockholm is an island of abundance in the midst of a sea of restrictions and hardships. Its stores are jammed with everything from American cigarets to German gadgets. Prices are only slightly above the prewar level. Food is plentiful and so are opportunities to work. To anyone coming from most of Europe, life in Sweden seems like a page from the past.

CANADA

Crowded Agenda

Important negotiations, including trade talks with both Britain and U. S., highlight Canada's new role in world.

OTTAWA—The early months of 1946 confront the Canadian government with a series of negotiations—international and domestic—such as have never before in peacetime been crowded into such a brief time.

• **A New Role**—Some of these negotiations are a direct result of the war, some epitomize Canada's newly won role as a ranking world power. The shift of the center of gravity in world affairs from Europe to North America destined Canada to play a larger part than its age, size, and population might otherwise warrant.

The chief international negotiations include:

(1) Trade and finance talks with the United Kingdom.

(2) Participation in the first meeting of the United Nations Organization in London.

(3) Preliminary tariff and trade talks with the 14 nations invited by the U. S. for exploratory discussions prior to an international conference on trade and employment.

• **And Then the Peace**—A fourth important series of negotiations will be added when the peace talks commence, Canada having won separate representation.

Negotiations with the United Kingdom began this week with the arrival in London of Canadian ministers and senior officials. Minister of Agriculture



With Canada seemingly in line for a good share of international commerce, the job of Denis Harvey (above) grows in importance. As head of the new import division of Canada's Dept. of Trade & Commerce, he'll be concerned chiefly with boosting imports as a means of developing healthy trade connections—especially in Latin America—which are expected to pay off eventually in more exports.

James Gardiner and Trade & Commerce Minister James MacKinnon are said to be seeking five-year agreements with Britain by which the U. K. will accept stipulated quantities of bacon, beef, cheese, eggs, and wheat.

Late in January or early next month a delegation from London will reach Ottawa to arrange credits which, including the outstanding \$550 million borrowed early in the war, are expected to total \$1,500,000,000 (BW—Jan. 5 p. 108).

• **Unprepared**—The invitation from the U. S. to engage in preliminary trade talks, with a view to lowering barriers to commerce, caught Canada flatfooted. During the war, the Canadian Tariff Board was idle, and available tariff data are now obsolete. Last week the authorities took steps to remedy the situation:

(1) The government assigned a seven-man committee to "hear from Canadian industries and groups . . . on matters affecting trade and tariffs." Hector McKinnon, chairman of the Tariff Board and wartime president of the Commodity Prices Stabilization Corp., will head the committee.

(2) An S.O.S. went out to Canada

business from the new committee asking for cooperation in gathering the data needed for tariff negotiations.

Wheat Contract—The negotiators in Britain want to sell a five-year wheat contract at a fixed minimum price. The government recently guaranteed a \$1-a-bu. minimum price to farmers and tried to soften up British resistance by undertaking to offer wheat for export at \$1.55, or well below current market prices.

In the tariff talks, Canada will seek reduction in the 42¢ duty on wheat, but the amount of pressure applied will depend upon the success of efforts to get Britain a contract. Other concessions to be sought from Washington will be on potatoes, shingles, lumber, cattle, codfish, cream, and base metals. Canadian officials expect the U.S. to seek important reduction in Canadian duties on coal, machinery, petroleum, and a long list of manufactures.

Growing Department—The expanding role Canada is playing internationally is compelling speedy growth of Canada's Dept. of External Affairs.

The staff of this department has tripled since 1939. In 1919 the external affairs department included three officials. Today there are about 100 officials and more than 300 in the clerical staff. The budget of the department in 1946 will pass the \$3 million mark.

DISPUTE OVER HOUSING

OTTAWA—Government agencies and private interests are tossing back and forth the blame for retarding house building in Canada.

With a housing shortage continuing in practically all cities, the government has two programs under way.

(1) **Wartime Housing, Ltd.**, the agency set up to build houses for war workers, is erecting low-rental houses—where requested by municipal authorities—and reserving them for veterans.

(2) The Veterans Affairs Dept. is building houses for sale to veterans.

Both agencies buy building materials at wholesale by requisition. Private builders allege that this ties up materials. The lumber industry, somewhat irritated by continuing controls, has been blamed for exporting too much to the U. S. in order to take advantage of a price differential of about \$2 to \$3 per 1,000 b. ft., plus exchange.

In reply the industry claims Canadian price ceilings are below cost and without exports they could not continue production. Reconstruction Minister C. D. Howe backs up the industry on this point, and recently told Parliament that exports to the U. S. are at prewar levels while increased production has gone to Canada.

ADVERTISERS IN THIS ISSUE

Business Week—January 12, 1946

ACME ALUMINUM ALLOYS, INC.....	39	INGERSOLL-RAND CO.....	94
Agency—Keeler & Stiles Co.		INTERNATIONAL BUSINESS MACHINES	
ALLIS-CHALMERS MFG. CO.....	34, 35	CORP.....	56, 57
Agency—Compton Advertising, Inc.		Agency—Corill & Presbury, Inc.	
AMERICAN GAS ASSOCIATION.....	97	INTERNATIONAL CHAIN CO.....	29
Agency—Ketchum, MacLeod & Grove, Inc.		Agency—The Altlin-Kynett Co.	
AMERICAN LUMBER & TREATING CO.....	69	IRON FIREMAN MFG. CO.....	119
Agency—Fuller & Smith & Ross Inc.		Agency—Joseph B. Garber Co.	
AMERICAN OPTICAL CO.....	51	JENKINS BROS.....	115
Agency—Sutherland-Abbott		Agency—Horton-Noyes Co.	
THE AMERICAN ROLLING MILL CO.....	105	WALTER KIDDE & CO.....	52
Agency—N. W. Ayer & Son, Inc.		Agency—Newell-Emmett Co.	
AMERICAN VISCOSSE CORP.....	89	THE LAMB ELECTRIC CO.....	98
Agency—J. M. Mathes, Inc.		Agency—The Bayless-Kerr Co.	
ARMSTRONG CORK CO.....	71	LINCOLN ELECTRIC CO.....	40, 61
Agency—Batten, Barton, Durstine & Osborn, Inc.		Agency—The Griswold-Eshleman Co.	
THE AUTOCAR CO.....	84	THE LINDE AIR PRODUCTS	
Agency—Gray & Rogers		COMPANY.....	2nd Cover
BAKER INDUSTRIAL TRUCK DIV. OF		THE LINDSAY CORP.....	96
THE BAKER RAULING CO.....	58	Agency—The Fendholt Co.	
Agency—O. M. Basford Co.		THE LIQUIDOMETER CORP.....	90
BANKERS TRUST CO.....	1	Agency—Lucerna Co. Inc.	
Agency—Cowan & Denzler, Inc.		P. R. MALLORY & CO.....	27
BARCO MFG. CO.....	12	Agency—The Altlin-Kynett Co.	
Agency—Campbell-Ewald Co., Inc. Eastern Div.		MANNING, MAXWELL AND MOORE,	
BARNES & REINCKE CO.....	108	INC.....	8, 44
Agency—Behel and Walldie and Briggs		Agency—Briggs & Varley, Inc.	
BELL SOUND SYSTEMS, INC.....	101	THE MARINE MIDLAND TRUST CO. OF	
Agency—Wheeler-Kight and Galsney, Inc.		NEW YORK.....	8
BEMIS BRO. BAG CO.....	47	Agency—Batten, Barton, Durstine & Osborn, Inc.	
Agency—Gardner Advertising Co.		MARSH STENCIL MACHINE CO.....	118
BLACK & DECKER MFG. CO.....	45	Agency—Krupnick & Assoc.	
Agency—VanSant, Dugdale & Co., Inc.		McGRAW-HILL BOOK CO., INC.....	95, 101
THE BULLARD CO.....	75	METROPOLITAN OAKLAND AREA.....	103
Agency—James Thomas Chirurg Co.		Agency—Emil Reinhardt Adv. Agency	
CAMPBELL, WYANT & CANNON		MINE SAFETY APPLIANCES CO.....	24
FOUNDRY CO.....	37	Agency—Walker & Downing	
Agency—Behel and Walldie and Briggs		MISSOURI PACIFIC RAILROAD.....	104
CENTURY ELECTRIC CO.....	49	Agency—D'Arcy Adv. Co., Inc.	
Agency—Oakleigh R. French & Assoc.		MONSANTO CHEMICAL CO.....	78
CHAMBERSBURG ENGR. CO.....	72	Agency—Gardner Advertising Co.	
Agency—Willard G. Myers Adv. Agency		NATIONAL CASH REGISTER CO.....	91
CHRYSLER CORP.....	65	Agency—McCann-Erickson, Inc.	
Agency—Ruthrauff & Ryan, Inc.		NATIONAL CITY BANK OF NEW YORK.....	38
CLUES.....	118	Agency—Batten, Barton, Durstine & Osborn, Inc.	
COMBUSTION ENGR. CO., INC.....	87	N. Y. STATE DEPARTMENT OF	
Agency—G. M. Barco Co.		COMMERCE.....	11
COMMERCIAL CREDIT CO.....	80	Agency—Kenyon & Eckhardt, Inc.	
Agency—VanSant, Dugdale & Co., Inc.		THE OHIO CRANKSHAFT CO.....	41
CONN. GENERAL LIFE INSURANCE CO. 63		Agency—The Griswold-Eshleman Co.	
Agency—Edw. W. Robotham Co.		PAINE, WEBBER, JACKSON & CURTIS.....	79
CONTINENTAL CAN CO., INC., 3rd Cover		Agency—Doremus & Co.	
Agency—Batten, Barton, Durstine & Osborn, Inc.		PEERLESS PHOTO PRODUCTS, INC.....	26
COSMOPOLITAN.....	77	Agency—Williams & Saylor	
Agency—Pedlar & Ryan, Inc.		PENN ELECTRIC SWITCH CO.....	6
DENNISON MFG. CO.....	107	Agency—The Buchen Co.	
Agency—Chas. W. Hoyt Co., Inc.		PERMUTIT CO.....	99
DISTILLATION PRODUCTS, INC.....	66	Agency—Newell-Emmett Co.	
Agency—Knox Beever Advertising, Inc.		PITTSBURGH PLATE GLASS CO., COLUM-	
E. I. du PONT de NEMOURS & CO.....	25, 83	BIA CHEMICAL DIV.....	62
Agency—Batten, Barton, Durstine & Osborn, Inc.		Agency—Ketchum, MacLeod & Grove, Inc.	
EASTMAN KODAK CO.....	93	PORTLAND CEMENT ASSOCIATION.....	30
Agency—J. Walter Thompson Co.		Agency—Roche, Williams & Cleary, Inc.	
ELLIOTT ADDRESSING MACHINE CO.....	88	REYNOLDS METALS CO.....	33
Agency—Alley & Richards Co.		Agency—J. Walter Thompson Co.	
FINNELL SYSTEM, INC.....	42	J. T. RYERSON & SON, INC.....	23
Agency—Johnson, Bead & Co.		Agency—Aubrey, Moore & Wallace, Inc.	
FULTON SYLPHON CO.....	81	SUNROC REFRIGERATION CO.....	116
Agency—The Griswold-Eshleman Co.		Agency—Gray & Rogers	
GENERAL ELECTRIC CO.....	14	TAL'S PRESTAL BENDER.....	26
Agency—Newell-Emmett Co.		Agency—Chas. Meisner & Assoc., Inc.	
GENERAL ELECTRIC CO.....	110	TIME, INC.....	59
Agency—Lloyd H. Hall Co.		Agency—Young & Rubicam, Inc.	
GLOBE HOIST CO.....	90	TOWMOTOR CORP.....	50
Agency—Fairall & Co.		Agency—Howard Swink Adv. Agency	
THE GLOBE-WERNICKE CO.....	46	UNION CARBIDE AND CARBON	
Agency—Ruthrauff & Ryan, Inc.		CORP.....	2nd Cover
THE H. F. GOODRICH CHEMICAL CO... 4		UNION PACIFIC RAILROAD.....	73
Agency—The Griswold-Eshleman Co.		Agency—The Caples Co.	
GOODYEAR TIRE & RUBBER CO.,		UNITED AUTOGRAPHIC REGISTER CO... 31	
INC.....	4th Cover	Agency—The Buchen Co.	
Agency—N. W. Ayer & Son, Inc.		U. S. ENVELOPE CO.....	40
THE HALOID CO.....	118	Agency—Wm. B. Remington, Inc.	
Agency—Hutchins Adv. Co.		U. S. FIDELITY & GUARANTY CO.....	28
HAMMERMILL PAPER CO.....	67	Agency—VanSant, Dugdale & Co., Inc.	
Agency—Batten, Barton, Durstine & Osborn, Inc.		U. S. TREASURY DEPT.....	109
HARDWARE MUTUAL CASUALTY CO... 55		VEEDER-ROOT, INC.....	43
Agency—Roche, Williams & Cleary, Inc.		Agency—Sutherland-Abbott	
HARTFORD STEAM BOILER INSPECTION		WAGNER ELECTRIC CO.....	68
& INS. CO.....	2	Agency—Arthur B. Mogge, Inc.	
Agency—N. W. Ayer & Son, Inc.		WESTERN ELECTRIC CO.....	3
HORNBLOWER & WEEKS.....	82	Agency—Newell-Emmett Co.	
Agency—Abbott Kimball Co., Inc.		WILKENING MFG. CO.....	106
HOTEL MAYFAIR.....	118	Agency—Gray & Rogers	
Agency—Gardner Advertising Co.			
HYSTER CO.....	53		
Agency—Pate, Simon & Smith			

CUT YOUR OWN STENCILS FOR MARKING SHIPMENTS **MARSH**

Machines cut: 1/2", 3/4",
1". For details, sample
stencils, prices, pin this
to business letterhead
with your name.
**MARSH STENCIL
MACHINE CO.**
58 MARSH BLDG.
BELLEVILLE, ILL., U.S.A.

ST. LOUIS SNAPSHOTS



HE GETS
ALL THE BREAKS...
HE HAS A ROOM
AT THE HOTEL

Mayfair

clues: Turning the "Searchlight" on Opportunities

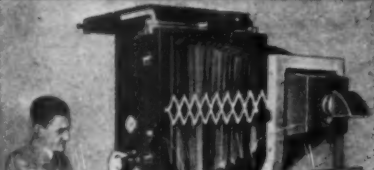
executives—\$5,000-\$25,000

• **THROUGH OUR** Individualized procedures we negotiate for the better positions. Strict confidence assured. Details on request. Jepson Executive Personnel Service, 652 Land Bank Building, Kansas City 6.

on short notice

• **MY SPECIALTY** is transacting New York business on short notice for industrial executives. . . . My experience ranges from negotiating contracts for new products to initiating corporate refinancing. . . . Before committing yourself to the expense and discomfort of any trip to the city, write or wire me what you want accomplished, and I will tell you frankly whether I can handle the assignment to your advantage or not. William W. (Bill) Dodge, 43 Cedar St., N. Y. C. 6. Whitehall 3-1533.

SPEED PRODUCTION!



PHOTOCOPY
Blueprints, Flow Charts, Payrolls, Plans,
Specifications, Contracts, Etc.
In Actual, Reduced or Enlarged Size

Rectigraph photocopying machines produce exact, error-proof copies of anything written, printed or drawn in any quantity. Accurate and speedy, this modern method of copying saves time and money, helps to control, coordinate and expedite activities of various departments of a business. Simple to install and operate. NO DARKROOM REQUIRED. Investigate Rectigraph as an immediate and future investment. Write for complete facts.

THE HALOID CO.,
130 Haloid St., Rochester 3, N. Y.
Branch Office in Principal Cities

HALOID
Rectigraph
The Original
Photocopying Machine
PHOTOCOPIES ANYTHING WRITTEN PRINTED OR DRAWN
IN ACTUAL, REDUCED OR ENLARGED SIZE

THE MARKETS

(FINANCE SECTION—PAGE 76)

This week's news that OPA steel price ceilings would soon be lifted (page 15) proved just the tonic needed by a too-long listless, worried stock market. This first crack in the Truman wage-price policy was quickly interpreted as forecasting a later general price rise to compensate for much of the increase in industrial wages which many regard as inevitable. Few investors and traders neglected to take steps to share in the move to the higher market levels they now see ahead.

• **Merrily Upward**—As a result, the stock market abruptly halted its dilly-dallying on Tuesday, and prices soon started bounding up merrily. Gains of as much as \$3 and \$4 were profusely scattered throughout the list when the day's activities had ended. Trading volume had likewise soared to almost 2,200,000 shares, the biggest single-day total on the upside reported by the New York Stock Exchange in many a month.

Even more impressive, however, was the carryover of optimism disclosed in Wednesday's 2,920,000-share session after investors and traders had enjoyed a full 24 hours to mull over the real significance of Tuesday's news.

• **Memorable Wednesday**—On Wednesday, the initial load of buying orders was so heavy that the ticker was several minutes late reporting floor transactions during much of the first half hour of trading, a rare phenomenon in recent years. By 11 o'clock that day, the Dow-Jones industrial stock price index had managed to penetrate cleanly through the post-1930 high registered early last month. This favorable signal unleashed another flood of buying orders to drive up prices even more sharply, and before Wednesday's festivities ended, the Big Board had en-

joyed one of its more memorable 1942-43 bull market sessions.

Leading the current advance, of course, have been the steel stocks. Quite sensational, in fact, has been the performance of U. S. Steel common. Hitherto laggard at times, it rose some \$7 on Tuesday and Wednesday to an \$87 level, a price not seen since 1930 except during the closing moments of the 1935-37 bull market move.

• **Other Performers**—Likewise prominent in the move to higher levels, however, have been most of the other sections of the industrial stock list. The rail group has similarly joined in the parade in somewhat less sensational fashion. So have many of the utilities.

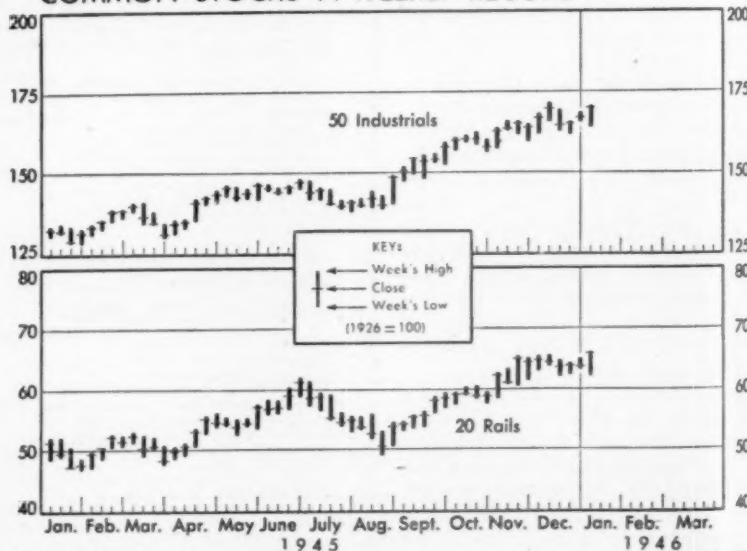
The expectation that a general increase in prices will be coming along eventually obviously isn't the sole factor, potent as it has been, behind the stock market's current strong rallying proclivities. Important, too, is the growing belief now that a new approach is being found which will satisfy the demands of both labor and capital and thus permit at least a temporary end to today's serious strike troubles.

Security Price Averages

	This Week	Week Ago	Month Ago	Year Ago
Stocks				
Industrial ..	170.1	167.2	169.9	132.6
Railroad ...	65.9	63.7	64.4	51.4
Utility	84.5	82.8	84.7	57.5
Bonds				
Industrial ..	123.6	123.3	122.9	120.9
Railroad ...	118.6	118.3	117.2	114.3
Utility	116.0	115.8	116.5	117.1

Data: Standard & Poor's Corp.

COMMON STOCKS—A WEEKLY RECORD



Data: Standard & Poor's Corp.

© BUSINESS WEEK

THE TRADING POST

Live Where You Will

Substitution of Los Angeles for Boston as the headquarters of a nationally operating company must seem rather elastic to old-timers, but hear the air-gage explanation of United Drug's president J. W. Dart as to why his company made it:

"As a director of United Airlines for the last seven or eight years, perhaps I have a greater disrespect for distances than some of my Eastern associates. Starting in 1946, * * * it will be practically as easy to get from Los Angeles to New York as it has been to take the night sleeper from New York to Boston. * * * The importance of geography has been largely eliminated."

Los Angeles will note with pleasure, Boston with skepticism, that Mr. Dart also said, "I believe that we can put together in Los Angeles a better top executive organization than we could achieve in any other region in the United States."

Pre-Atomic Picture

The photograph at the reader's left at the foot of this page was one of a layout of pictures which appeared in the Nov. 17, 1945, issue of Business Week to illustrate a report on community and business life in Los Alamos, N. M., site of the famous Atomic Bomb Project laboratory.

Reference to the picture came in the report with the statement that "two and one-half years ago, Los Alamos was

an insignificant hamlet of about 100 persons, of considerably less interest to the passing tourist than the neighboring Indian reservation, Santa Clara Pueblo, whose former governor, Cleto Tafoya, now works in Los Alamos' East Cafeteria."

This photograph of Cleto Tafoya at the steam table recalled pleasant memories to Simon Halle of Halle's in Colorado Springs, Colo., dealing in home appliances "for the Pike's Peak Region." In a letter inclosing the photograph at the reader's right, Mr. Halle wrote:

"On Jan. 10, 1929, Mrs. Halle and I got the inclosed picture of Cleto Tafoya. He was at that time Governor of the Pueblo and a very fascinating speaker on Indian mythology, using the excellent English of a Haskell College graduate. We were happy to learn from your article that he is still active and just as much of a personality as ever.

"You should be warned, I might add, that if you ever go out to his part of the Southwest you may never be satisfied with the East again."

More "Markets"

Starting with the next issue of Business Week, The Trading Post will give way to an expansion of The Markets, hitherto confined to the opposite page and now to be enlarged to four columns to meet the interest of readers in its lively subject-matter. Such "family" letters as have recently made up most of the content of The Trading Post will appear elsewhere in the issue.

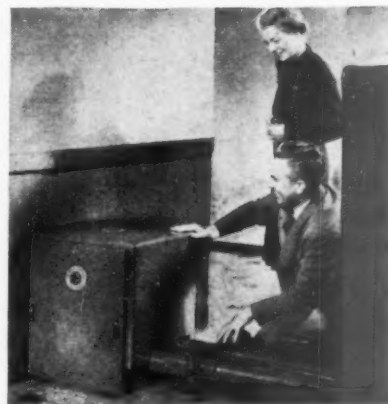


In one of Los Alamos' cafeterias, Cleto Tafoya, Pueblo governor, presides behind the steam table.



In 1929 (the year Business Week was born), a reader got this picture of Cleto Tafoya in full regalia.

Iron Fireman Home Stokers are Here Again



The Iron Fireman Coal Flow stoker gives you the superior smoothness of automatic coal heat without coal handling.

Now you can get the famous Iron Fireman to tend your furnace and guard your comfort 24 hours a day

Regulates itself. Once you install an Iron Fireman stoker you and your family will no longer have to run up and down stairs to nurse the furnace, nor will you have to get up in a cold house to open drafts and poke a lazy fire. Your faithful Iron Fireman will regulate itself, keeping the temperature exactly where you want it.

Steadiest, smoothest automatic heat obtainable. The Iron Fireman firebed of live coals is under constant thermostatic control. There is a steady, comfort-giving flow of mellow warmth that soaks through the whole house.

Burns less coal than hand firing. Iron Fireman automatically combines the right amounts of coal and air for most efficient combustion. It feeds coal from below the fuel bed so that all combustible gases are burned. Iron Fireman makes heat instead of smoke and soot.

See your Iron Fireman dealer now. Iron Fireman domestic stokers are being produced in steadily increasing volume. Many more homes can enjoy Iron Fireman automatic heating this winter. Now, as during the war, commercial and industrial models are available for prompt delivery. Our experienced nationwide dealer organization is ready to serve you. Ask for our 8-page illustrated folder, *Carefree Warmth*. Write Iron Fireman Manufacturing Co., 3221 West 106th Street, Cleveland 11, Ohio. Other plants: Portland, Oregon; Toronto, Canada.



IRON FIREMAN

Automatic Coal Stokers

INDUSTRIAL • COMMERCIAL • RESIDENTIAL

THE TREND

WHAT THE WORKER THINKS ABOUT WORK

In reporting the results of its second annual survey of "What the Factory Worker Really Thinks," the magazine *Factory* covers in its January issue what, among other things, including nationalization of industry and labor in politics, he thinks about the desirability of doing all that he can on the job.

• His opinions on this crucial issue should give both management and the nation pause. Less than half of those in the representative cross-section of workers covered by the survey favor turning out as much work as they can, with union workers considerably less disposed to work to capacity than those who are not organized. And the reason most often assigned by those who favor doing less than they can is that they do not trust management to see that they get what they regard as a fair share of the proceeds of increased production.

The workers were asked, "When a man takes a job in a factory, do you think he should turn out as much as he can, or should he turn out as much, say, as the average in his group?" In reply 49% said "as much as he can," 40% said an "average amount," 8% said "that depends," and 3% offered no opinion. Of the union members working at manual jobs, only 43% favored doing as much as they can while 60% of the nonunion manual workers were of that disposition, which was shared by 75% of the foremen and 68% of the clerical workers.

Those who favored doing less than their best offered a considerable variety of reasons for this attitude, summarized in the report of the survey as follows:

Per Cent	Reason
30	..... Management would raise production quotas.
11	..... Piece rates would be reduced.
7	..... Worker wouldn't make more money.
23	..... It would be unpopular with other workers.
8	..... Worker would break down physically.
7	..... Would cause unemployment.
14	..... Miscellaneous.

• As the table shows, almost half of the answers given for working below individual capacity were based explicitly upon the belief that there would be no point wage-wise to step up effort; and the opinion that it would be unpopular with other workers to do so may say much the same thing in another way. Thus distrust of management is an overwhelming "first" among the reasons assigned for not doing all they can by the large share of factory workers who take that attitude. The fear of working one's self and others out of a job, often stressed as the controlling reason for feather-bed rules and related slow-down arrangements, as well as the fear of overdoing physically, have, it seems, only a minor bearing on the disposition to do less than can be done.

Many morals can readily be drawn from this array of opinions and will be. Some will conclude that American labor leaders have poisoned the minds of the workers about the fairness of their employers. This view will find support in the fact that, as a group, the union members among manual workers show considerably less disposition to do all they can than the nonunion manual workers. It would be possible, of course, to conclude that the specially skeptical attitude of union workers toward doing all they can is tantamount to a vote of no confidence in the collective bargaining ability of their unions.

• A moral which others might draw is that the workers who favor doing less than they can are really in favor of cutting their own throats by a slightly devious route and, therefore, are in need of treatment for stupidity. Workers get by far the larger share of the nation's output. If they do not produce as much as they can, they may think that they are getting the best of their employers and of their fellow-workers, and they may be over the short run, too. But over any considerable length of time, they are simply taking it out of their own standard of living. That's roughly how the second possible moral might be arrived at.

Another moral to be drawn from these opinions, and one which we hope will appeal strongly to management, is that there is an urgent necessity to devise better arrangements for rewarding with unimpeachable fairness those workers who do all they can. Efforts to make headway along this line are, of course, complicated if not stymied completely by what is sometimes a dogmatic opposition of union leaders to anything in the nature of an incentive system of pay. Also the problem of measuring with any degree of precision the productivity of labor, to which not only workers but management and machinery make contributions, is extremely complicated.

The complications involved, however, are no greater than the urgency of coping with them, as underlined by the opinions cited. So long as management is suspected as much as it is by so many workers of not rewarding them fairly for full effort, there is a grave weakness in its position, as there is in the general political and economic system of the country of which it is a key part.

• The *Factory* opinion survey disclosed that only 17% of the workers covered favor having the government own and control the factories of this country while 74% are against it. That is an encouraging finding for management. To assure a continuation of that cheerful state of affairs, however, the grounds for such widespread suspicion that hard work is not fairly rewarded must be eliminated.

B

ray of
merican
orken
l find
mben
sposi-
work-
at the
doing
dence

orken
vor of
e and,
Work-
output.
y may
loyers
er the
th of
ndard
moral

s, and
ment,
ter ar-
airness
make
if not
gmatic
ure of
ceasur-
labor,
d ma-
ted.

greater
ed by
ected
arding
ess in
d eco-
part.

7% of
t own
% are
anage-
ate of
d sus-
st be

←
YEAR
AGO

←
WEEK
AGO

BUSINESS
WEEK
INDEX

2, 1946